

# **Licensed Child Care in Washington State: 2002**

*June 2004*

*Washington State Department of Social and Health Services*  
**Economic Services Administration**  
**Division of Child Care and Early Learning**

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## TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY</b>	xi
BACKGROUND	xi
MAJOR FINDINGS	xi
GENERAL INFORMATION	xii
<b>CHAPTER 1. INTRODUCTION</b>	<b>1</b>
BACKGROUND	2
<i>Geography and Child Care Markets</i>	2
STUDY METHODS	4
<i>Licensed Facilities</i>	4
<i>Survey of Child Care Centers</i>	4
<i>Survey of Family Homes</i>	6
<i>Sampling Methods for the Family Home Survey</i>	7
<b>CHAPTER 2. THE CHILD CARE MARKET</b>	<b>9</b>
CHILD CARE POPULATION	9
<i>Employment and Income</i>	10
<i>Growth of the Licensed Child Care Industry</i>	10
<i>Decline in Number of Family Homes</i>	12
<b>CHAPTER 3. CHILDREN IN LICENSED CARE</b>	<b>13</b>
INTRODUCTION	13
CHILD CARE CENTERS	13
<i>Number of Children in Care, Capacity, and Vacancies in Child Care Centers</i>	13
<i>Full-Time and Part-Time Care in Centers by Age Category</i>	17
FAMILY HOMES	19
<i>Number of Children in Care, Capacity, and Vacancies in Family Homes</i>	19
<i>Full-Time and Part-Time Care in Family Homes by Age Category</i>	20
SPECIALIZATION IN THE CHILD CARE MARKET	23
<i>Shift in Attendance of Children in Licensed Care from Homes to Centers</i>	23
<i>Urban/Rural Differences</i>	24
<i>Type of Center and Specialization</i>	26
AVAILABILITY AND USE OF CHILD CARE	27
<i>Capacity and Vacancies for Licensed Child Care</i>	27
<i>Vacancies for Very Young Children</i>	27
AGE DIFFERENCES OF CHILDREN IN LICENSED CARE	29
<b>CHAPTER 4. PROVIDER BUSINESS TRAITS</b>	<b>31</b>
YEARS IN OPERATION FOR CHILD CARE CENTERS AND FAMILY HOMES	31
<i>Growth and Decline in Number of Centers and Family Homes</i>	32

TYPES OF CENTERS _____	32
STAFF EXPERIENCE AND EDUCATION _____	33
<i>Years of Experience: Center Staff</i> _____	33
<i>Paid and Non-Paid Staff at Center</i> _____	34
<i>Family Home Providers' Education and Training</i> _____	34
SALARIES AND BENEFITS FOR CHILD CARE WORKERS _____	35
<i>Wages at Centers</i> _____	35
<i>Wages in Family Homes</i> _____	35
<i>Income of Family Home Providers</i> _____	36
<i>Wage Trends in Centers</i> _____	37
<i>Wage Trends in Family Homes</i> _____	38
<i>Employee Benefits for Teachers in Centers</i> _____	39
STAFF TURNOVER IN CHILD CARE CENTERS _____	40
BUSINESS EXPENSES IN CENTERS AND HOMES _____	41
<i>Liability Insurance in Homes</i> _____	41
<i>Estimated Monthly Cost for Rent in Centers</i> _____	41
<i>Participation of Family Homes in USDA Food Program</i> _____	42
HOURS OF OPERATION _____	43
<b>CHAPTER 5. CHILD CARE RATES</b> _____	45
MARKET PRICES AND SUBSIDY RATES _____	45
PRICES ACCORDING TO THE 2002 SURVEY _____	45
REGIONAL RE-ASSIGNMENTS _____	49
CHILD CARE PRICE INCREASES _____	49
<b>CHAPTER 6. DSHS SUBSIDIZED CHILDREN</b> _____	53
WHERE SUBSIDIZED CHILDREN RECEIVED CARE _____	53
<i>Regional Variation</i> _____	54
RISE IN USE OF SUBSIDIZED CARE _____	55
WHO SERVES DSHS-SUBSIDIZED CHILDREN? _____	59
CHARACTERISTICS OF CENTERS AND HOMES SERVING DSHS CHILDREN _____	60
<i>Distribution of DSHS Subsidized Children in Centers</i> _____	60
<i>DSHS Children and Race/Ethnicity of Family Home Providers</i> _____	60
<i>Non-Standard Hours Among Providers Serving DSHS Children</i> _____	61
EFFECTS OF DSHS MAXIMUM RATES _____	63
<i>Region 4 Centers as an Example</i> _____	63
<b>CHAPTER 7. SPECIAL TOPICS</b> _____	65
COMPUTER AND INTERNET ACCESS AMONG CHILD CARE PROVIDERS _____	65
RESOURCE AND REFERRAL SERVICES _____	67
WORK HOURS OF FAMILY HOME PROVIDERS _____	69
CONTACT WITH DSHS LICENSING STAFF _____	70
<b>APPENDIX A. COUNTY STATISTICS</b> _____	73
<b>APPENDIX B. COUNTY STATISTICAL MAPS</b> _____	79

## TABLES

Table 1--Assignment of Counties into DSHS Regions _____	3
Table 2--2002 Center Survey—Sample Completion Rate Statistics _____	5
Table 3--2002 Family Home Survey—Sample Completion Rate Statistics _____	6
Table 4--2002 Family Home Survey—Total Homes, Homes Sampled, and Homes Interviewed _____	8
Table 5--Estimates of Children in Licensed and Unlicensed Child Care, 2002 _____	9
Table 6--Estimates of Employment and Revenue in Washington State’s Child Care Industry, 1992, 1994, 1996, 1998, 2000 and 2002 _____	10
Table 7--Number of Family Homes, 1996 to 2004 _____	12
Table 8--Vacancy Rate in Child Care Centers by Region, 1996 – 2002 _____	16
Table 9--Estimated Child Care Center Populations by Age and Region, 2002 _____	18
Table 10--Estimated Licensed Family Home Child Care Populations by Age and Region, 2002 _____	22
Table 11--Counties by Degree of Urbanization _____	24
Table 12—Vacancy Rate for Licensed Child Care in Washington State, 1994-2002 _____	27
Table 13--Vacancies for Very Young Children in Centers and Family Homes, 2002 _____	28
Table 14--All Children in Washington State Compared to Children in Licensed Care _____	29
Table 15--Regional Variation in Availability of Child Care, 2002 _____	30
Table 16--Staff Composition by Type of Center, 2002 _____	34
Table 17--Average Wages in Child Care Centers by Region, 2002 _____	35
Table 18--Average Wages in Child Care Centers by Center Type, 2002 _____	35
Table 19--Assistants’ Wages in Licensed Homes, 2002 _____	36
Table 20--Average Gross Annual Earnings of Family Home Providers, 2001 _____	36
Table 21--Factors Associated with Average Earnings of Family Home Providers, 2002 _____	37
Table 22--Centers Providing Benefits to Teachers by Benefit Type and Region, 2002 _____	39
Table 23--Employee Benefits in Child Care Centers, 1990-2002 _____	40
Table 24--Health Insurance, Benefits and Wages in Centers, 2002 _____	40
Table 25--Percent of Staff Newly Hired, 2002 _____	41
Table 26--Monthly Full-Time Prices in Child Care Centers, 2002 _____	47
Table 27--Monthly Full-Time Prices for Private Pay Children in Licensed Homes, 2002 _____	48
Table 28--DSHS Children in Centers and Family Homes, 2002 _____	53
Table 29--Number of Licensed Family Homes, and Percent Serving DSHS Children, 1996 and 2002 _____	58
Table 30--Centers Limiting Enrollment of DSHS–Subsidized Children _____	59
Table 31--Family Homes Willing to Serve DSHS-Subsidized Children _____	59
Table 32--Family Home Providers Serving DSHS Subsidized Children by Ethnicity of Provider, 2002 _____	61
Table 33--Full-time Rates for Preschool Children, Difference Between Centers Serving DSHS Children and Those Not Serving, 2002 _____	63
Table 34--Percent of Centers Finding Resource and Referral Services Helpful in the Past Year, 2002 _____	68

Table 35--Percent of Homes Finding Resource and Referral Services Helpful in the Past Year, 2002 _____	68
Table 36--Percent of Homes and Centers Finding Resource and Referral Services Helpful in Past Year, by DSHS, 2002 _____	69
Table A1--2002 County Level Statistics: Facilities and Child Care Slots _____	74
Table A2--2002 County Level Statistics: Vacancies and Vacancy Rates _____	75
Table A3 --2002 County Level Statistics: Children in Licensed Child Care _____	76
Table A4--2002 County Level Statistics: Children with Subsidized Child Care _____	77
Table A5--2002 County Level Statistics: Average Price of Full-Time Preschool Child Care _____	78

## FIGURES

Figure 1--DSHS Administrative Regions _____	3
Figure 2--Licensed Child Care Facilities in Washington State, 1990 to 2002 _____	11
Figure 3--Children in Licensed Care in Washington State, 1990 to 2002 _____	11
Figure 4--Number of Children in Licensed Child Care Centers, 1990-2002 _____	14
Figure 5--Average Capacity of Licensed Child Care Centers, 1990-2002 _____	14
Figure 6--Distribution of Child Care Centers by Capacity, 2002 _____	15
Figure 7--Distribution of Children in Centers by Capacity, 2002 _____	15
Figure 8--Percentage of Centers with Vacancies by Age Category, 2000 and 2002 _____	16
Figure 9--Centers Providing Full-Time and Part-Time Care by Age Group, 2002 _____	17
Figure 10--Distribution of Children in Centers in Full-Time or Part-Time Care, 2002 _____	17
Figure 11--Number of Children in Licensed Family Homes, 1990-2002 _____	19
Figure 12--Percentage of Family Homes with Vacancies by Age Category, 1996-2002 _____	20
Figure 13--Homes Providing Full-Time or Part-Time Care by Age Group, 2002 _____	20
Figure 14--Distribution of Children in Homes in Full-Time or Part-Time Care, 2002 _____	21
Figure 15--Average Hours per Week in Family Home Care by Age Group, 2002 _____	22
Figure 16--Enrollment of Children in Licensed Homes versus Child Care Centers, 2002 _____	23
Figure 17--Proportion of Children in Licensed Care that Attend Family Homes, 1992-2002 _____	24
Figure 18--Distribution of Children in Licensed Care by Degree of Urbanization, 2002 _____	25
Figure 19--Distribution of Infants in Licensed Care by Degree of Urbanization, 2002 _____	25
Figure 20--Child Care Centers' Profit Status and Infant Care, 2002 _____	26
Figure 21--Child Care Centers' Profit Status and School-Age Care, 2002 _____	26
Figure 22--Number of Infants in Licensed Care, 1992-2002 _____	28
Figure 23--Years in Business: Homes and Centers, 2002 _____	31
Figure 24--Years Plan to Operate Child Care at Home, 2002 _____	31
Figure 25--Number of Centers and Family Homes, 1990-2002 _____	32
Figure 26--Types of Child Care Centers _____	32
Figure 27--Type of Center and Physical Location, 2002 _____	33
Figure 28--Average Number of Years of Paid Child Care Experience for Center Staff, 2002 _____	33
Figure 29--Family Home Providers' Highest Level of Education, 2002 _____	34
Figure 30--Changes in Child Care Wages from 1990 to 2002 Adjusted to 2002 Dollars _____	37
Figure 31--Average Wage Paid Assistants in Family Homes from 1992 to 2000 Adjusted to 2002 Dollars _____	38
Figure 32--Average Gross Earnings in Family Homes from 1991 to 2001 Adjusted to 2001 Dollars _____	38
Figure 33--Percent of Family Homes with Liability Insurance, 1990 to 2002 _____	41
Figure 34--Monthly Rent Per Slot by Type of Center, 2002 _____	42
Figure 35--Participation of Family Homes in USDA Food Program, 1998 and 2002 _____	42
Figure 36--Hours of Operation, Monday through Friday, Centers and Homes, 2002 _____	43
Figure 37--Licensed Facilities with Weekend Hours, 2002 _____	43

Figure 38--Nominal Average Monthly Prices for All Children in Full-Time Licensed Child Care: 1990-2002 _____	50
Figure 39--Average Monthly Prices for All Children in Full-Time Licensed Child Care: 1990-2002, Adjusted for Inflation _____	50
Figure 40--Percent Increase in Center Child Care Prices and Teachers' Wages, 1990 to 2002 (Adjusted for Inflation, with 1990 as Base Year) _____	51
Figure 41--Facilities Serving DSHS-Subsidized Children, 2002 _____	54
Figure 42--DSHS-Subsidized Children as Percent of All Children in Licensed Facilities, 2002 _____	55
Figure 43--DSHS-Subsidized Children as Percent of All Children in Licensed Facilities, 1990-2002 _____	55
Figure 44--Percent of Children in Licensed Care Subsidized by DSHS by DSHS Region, 1996-2002 _____	56
Figure 45--Number of Subsidized and Non-Subsidized Children in Centers and Licensed Homes, 1996-2002 _____	57
Figure 46--Percent of Full-Time and Part-Time Children Subsidized by DSHS, Children in Licensed Family Homes, 2002 _____	57
Figure 47--Number of Family Homes and Percent Serving DSHS Children, 1990-2002 _____	58
Figure 48--Distribution of Children by Receipt of Subsidies, According to the Proportion of Children in the Center Subsidized by DSHS, 2002 _____	60
Figure 49--Percent of Family Homes with Non-Standard Hours, by DSHS Status, 2002 _____	62
Figure 50--Percent of Centers with Non-Standard Hours, by DSHS Status, 2002 _____	62
Figure 51--Number of Children in Centers by Monthly Charges for Full-Time Preschool Care, Region 4 _____	64
Figure 52--Number of DSHS-Subsidized Children in Centers by Monthly Charge for Full-Time Preschool Care, Region 4 _____	64
Figure 53--Percent of Centers and Homes with Computers, 2002 _____	65
Figure 54--Percent of Centers and Homes with Internet Access, 2002 _____	66
Figure 55--Internet Access for Home Providers Controlling for Hispanic Ethnicity, 2002 _____	67
Figure 56--Average Hours Per Week Worked by Home Providers by Serving DSHS-Subsidized Children, 2002 _____	69
Figure 57--Percent of Centers Contacting Their Licensor at Least Five Times per Year, by Region, 2002 _____	70
Figure 58--Percent of Home Providers Contacting Their Licensor at Least Five Times per Year, by Region, 2002 _____	71
Figure 59--Percent of Centers Receiving Return Phone Calls from Their Licensor Within Three Business Days, by Region, 2002 _____	71
Figure 60--Percent of Homes Receiving Return Phone Calls from Their Licensor Within Three Business Days, by Region, 2002 _____	72
Figure B1--Number of Licensed Child Care Centers, 2002 _____	80
Figure B2--Number of Licensed Family Homes, 2002 _____	81
Figure B3--Child Care Slots in Licensed Centers, 2002 _____	82
Figure B4--Capacity of Licensed Family Homes, 2002 _____	83

Figure B5--Total Licensed Capacity, 2002 _____	84
Figure B6--Percent of Children in Licensed Care that Attend Licensed Family Homes, 2002 _____	85
Figure B7--Total Child Population (0 to 12 Years), 2002 Estimate _____	86
Figure B8--Licensed Slots per 100 Children, 2002 _____	87
Figure B9--Number of Children in Licensed Care Subsidized by DSHS, 2002 _____	88
Figure B10--Percent of Children in Licensed Care Subsidized by DSHS, 2002 _____	89
Figure B11--Total Reported Vacancies in Licensed Care, 2002 _____	90
Figure B12--Vacancy Rate in Licensed Care, 2002 _____	91
Figure B13--Average Price of Full-Time Preschool in Licensed Care, 2002 _____	92



# EXECUTIVE SUMMARY

## Background

Washington State's Department of Social and Health Services (DSHS) subsidized part of the child care costs for about 78,000 children per month in 2002. These children were from low-income families with parents who were working, going to school, homeless, or eligible based on some other DSHS program. The number of children receiving DSHS subsidies has tripled in the past decade. About seventy percent of children with DSHS-subsidized child care attend licensed family homes or child care centers.

Federal regulations require that Washington State tie their subsidy rates to a local market survey of child care rates conducted at least every two years. To comply with this regulation DSHS conducts a biennial survey of all child care centers and a sample of licensed family home providers. In addition to child care rates, the surveys provide information on the child care industry. This report describes the surveys conducted in the spring of 2002. A total of 1,519 child care centers and 1,371 family home providers were interviewed.

## Major Findings

- The price of child care has increased much faster than inflation in the past twelve years. From 1990 to 2002 the inflation-adjusted price of care increased 39 percent in centers and 36 percent in homes. That amounts to an annual rise in the price of care—*after accounting for general inflation*—of 2.8 percent in centers and 2.6 percent in homes.
- From 2000 to 2002 the average price of center care after adjusting for inflation climbed by 6 percent (from \$536 to \$570) and that for full-time care in licensed family homes went up 7 percent (from \$475 to \$506). The annual inflation-adjusted price of care rose 3.1 percent in centers and 3.2 percent in homes in the two years 2000 to 2002. Not accounting for inflation, the annual rise in the price of child care between 2000 and 2002 was 5.4 percent in centers and 5.5 percent in homes.
- The proportion of children in licensed care whose care is subsidized by DSHS has risen substantially in recent years. After remaining at about 15 percent from 1990 through 1996, the proportion of children in licensed care subsidized by DSHS rose to 19 percent in 1998, 25 percent in 2000, and 34 percent in 2002. In the six years between 1996 and 2002 the proportion of full-time children in licensed family homes that are subsidized by DSHS rose from 18 percent to 46 percent.
- The number of licensed family homes declined from 8,600 in 1996 to 7,309 in 2002 a decline of 15 percent. The decrease in family homes was greatest in King County—a loss of 576 licensed family homes in six years for a decline of 27 percent.

- Over the past ten years, the proportion of children in licensed care that attend licensed family homes has declined. While 39 percent of children in licensed care attended licensed family homes in 1992, only 29 percent of children in licensed care attended licensed family homes in 2002.
- DSHS maximum subsidy rates in the spring of the 2002 were based on the 58<sup>th</sup> percentile of the 2000 survey. But inflation in child care prices since the 2000 survey had effectively reduced the percentile of the market that DSHS bought to approximately the 36<sup>th</sup> percentile by the time of the 2002 survey.

## **General Information**

### *Findings About the Child Care Market*

- An estimated 168,160 children in Washington State were in licensed care in the spring of 2002. About seventy percent of these children were in child care centers and the remaining thirty percent were in licensed family homes.
- Licensed providers grossed about \$836 million dollars in 2002 and employed approximately 30,600 people.
- Information from the child care surveys was combined with population data from Washington's Office of Financial Management to estimate the proportion of children of various ages in licensed care at the time of the child care surveys. About one out of every four preschoolers (children between 2.5 and 5.5) and toddlers (children 12 to 29 months old), and one out of every ten infants (under 12 months old) and school-age children (over 5.5 years old) was in licensed care at the time of the surveys in the spring of 2002.

### *Findings About Child Care Centers*

- The number of children in child care centers grew 41 percent in twelve years, rising from 85,000 in 1990 to 120,020 in 2002.
- Forty percent of children in child care centers in 2002 were preschoolers; 5 percent were infants.
- The vast majority of centers provide full-time care for preschool age children (73 percent), while only about one-third of centers provide full-time care for infants (34 percent).
- Fifty-seven percent of children in centers in 2002 received full-time care (at least thirty hours per week).
- The proportion of centers with vacancies rose from 64 percent in 2000 to 71 percent in 2002; the vacancy rate, which had declined from 16 percent to 12 percent between 1996 and 1998, rose to 14 percent in 2002.
- At the time of the 2002 survey, pay for teachers at centers averaged \$9.69 per hour and that for aides averaged \$8.07 per hour. Average real wages for child care workers (wages adjusted for inflation) stalled between 1992 and 1998. Since 1998, perhaps spurred by the increases in the minimum wage, the average wage for teachers has

risen 3.2 percent per year (adjusted for inflation) and the average wage for aides has risen 3.6 percent per year.

- The 2002 child care center survey asked about staff turnover—the number of individuals that had been hired in about the last eight months. Approximately 17 percent of teachers and 37 percent of aides had been hired within the last eight months.
- In the spring of 2002 only 10 percent of centers opened before 6 in the morning and 6 percent closed at 7 or later in the evening. Three percent of centers were open on the weekends.

### *Findings About Licensed Family Homes*

- After a period of growth in the early 1990s, the number of children in licensed family homes declined from 60,100 in 1994 to 48,100 in 2002, a decline of 20 percent in eight years.
- Thirty-six percent of children in licensed family homes in 2002 were preschoolers; 7 percent were infants.
- Most licensed family homes provide full-time child care for preschoolers (75 percent), while one-quarter of family homes provide full-time care for infants (25 percent).
- Sixty percent of children in licensed family homes in 2002 received full-time care.
- Two-thirds of family homes had been in operation for four years or more.
- Fifty-three percent of family homes in the spring of 2002 had vacancies, a rise from 43 percent in 2000. The 2002 vacancy rate of 19 percent for family homes was an increase in the vacancy rate of 16 percent in 2000 and 14 percent in 1996 and 1998.
- The average yearly income of family home providers increased at an annual rate of 7.9 percent in the six years from 1995 to 2001. Taking inflation into account, the annual rate of increase was 5.2 percent with the inflation-adjusted income of family home providers rising from \$20,035 in 1995 to \$27,100 in 2001. The longer a family home provider had been in business and the more the provider depended on child care as a source of income, the higher the provider's average earnings.
- At the time of the 2002 survey, 73 percent of family homes had liability insurance, a slight increase from the prior surveys (68 percent in 2000 and 69 percent in 1998).
- Seventy-three percent of licensed family homes participated in the USDA food program in 2002, a decline from 77 percent in 1998.
- Eighteen percent of licensed family homes opened before 6 in the morning; 11 percent closed at 7 or later in the evening. Twenty-one percent of licensed family homes were open on the weekend.

*Findings About DSHS-Subsidized Child Care*

- According to DSHS payment records, child care was subsidized for 136,400 children over the course of federal fiscal year 2002. In April and May 2002 an average 78,600 children had child care subsidized by DSHS. About 70 percent of these children, or 55,800, were cared for in a licensed family home or child care center.
- According to the 2002 child care surveys, an estimated 53,420 children received subsidized child care in either a licensed family home or child care center in the spring of 2002.
- Twenty-nine percent of children in centers and 38 percent of children in family homes were subsidized by DSHS in the spring of 2002.
- At the time of the 2002 surveys, 87 percent of centers and 66 percent of licensed family homes cared for at least one DSHS-subsidized child. Two years earlier, 84 percent of centers and 58 percent of homes served DSHS-subsidized children.
- Statewide, 38 percent of children in licensed family homes in the spring of 2002 were subsidized by DSHS; however, 76 percent of children cared for by Hispanic providers and 66 percent of all children cared for by black providers were subsidized by DSHS.
- Compared to licensed homes serving no DSHS subsidized children, homes with at least one DSHS child were much more likely to open before 6 a.m. (25 versus 8 percent) and close after 6 p.m. (26 versus 9 percent). Centers with high proportions of subsidized children were more likely to open before 6 a.m. (13 versus 7 percent) and somewhat more likely to close after 6 p.m. (31 versus 17-20 percent) than centers that served few children with subsidized child care.

*Special Topics*

- The percent of providers with access to the Internet was 55 percent for centers and 73 percent for home providers in 2002. The difference in Internet access between family home providers in the eastern and western parts of the state was explained by the low rate of Internet access among Hispanic family home providers and the large number of Hispanic providers in the eastern part of the state.
- Most providers reported that they had found at least one service provided by Resource and Referral Agencies (R&R) helpful to them in the prior year. Specifically 59 percent of center providers and 64 percent of family home providers found R&R referral services helpful and 69 percent of centers and 72 percent of homes found STARS training by R&R helpful.
- Family home providers worked an average of 56 hours per week at the time of the 2002 surveys, with those serving DSHS-subsidized children working more hours on average than those not serving DSHS-subsidized children (61 versus 47 hours).
- With one exception, at least 85 percent of center and family home providers in all regions reported that their licensor generally returned their phone calls within three business days. Only 81 percent of family home providers in Region 1 stated that their licensors returned their phone calls within three business days.

# CHAPTER 1. INTRODUCTION

In the spring of 2002 the Department of Social and Health Services (DSHS) subsidized child care for about 78,600 children a month. About 70 percent of these children (55,800) received care from a licensed provider and the other 30 percent (22,800) received subsidized care either in their own home or in the home of a relative.

State and federal regulations require DSHS to evaluate subsidy rates based on child care market surveys conducted at least every two years. If subsidy rates are too low compared to the going market rates, then many providers may either not accept or limit the number of subsidized families they will serve. The child care surveys enable DSHS to tie their rates to market rates and to set those rates by region so that subsidized children around the state have equal access to the market.

This report describes the findings of the child care surveys of center and family home providers conducted in the spring of 2002. The setting of market based local child care rates is the primary purpose of these surveys, but the surveys collect information on many other topics including:

- the population and ages of children receiving licensed child care;
- capacity and vacancies in licensed facilities;
- the costs associated with providing child care, such as salaries, benefits, liability insurance, and rent or mortgage;
- characteristics of providers, such as professional education, years in operation, and center type;
- number of providers caring for DSHS subsidized children;
- hours of operation; and
- trends in rates, compensation, and other changes in the child care market.

## **Background**

The Department of Social and Health Services has been helping families pay for child care since DSHS was created in the late 1970s. The programs were small at that time and targeted to very specific populations. Each program had its own funding stream and rules. More recently, as the importance of child care for the employment of low-income families has become more apparent, both state and federal funding for child care has increased. Guided by federal rules, state legislative mandates, and its own commitment to supporting families with children, DSHS has moved from a fragmented set of small programs toward a system with one set of income eligibility criteria and one payment schedule for all programs.

With the introduction of Washington's pilot welfare reform program, the Family Independence Program (FIP) in 1988, the state began paying for child care based on market surveys of child care rates. The use of market surveys allows DSHS rates to reflect the private market and to account for differences in markets across the state. DSHS sets rates at a uniform percentile across markets. This means that parents should have access to the same percent of slots regardless of where they live, what type of provider they choose, and the age of their child or children.

DSHS surveys the child care market every two years. Based on budget constraints and the information in these surveys, DSHS attempts to set new subsidy rates at the highest percentile that the appropriations will support.

### *Geography and Child Care Markets*

Market rates for child care vary widely across Washington State. In setting regional rates, DSHS aims to ensure that clients throughout the state have equal access to child care, whether they live in areas with costly child care or in areas with relatively inexpensive care.

Before 1995, DSHS used the market surveys to identify clusters of counties with similar rates. Counties in the same cluster had the same rate schedule. Unfortunately, those clusters of counties proved to be unstable, needing re-definition with each market survey. The six DSHS Administrative Regions therefore were selected as the permanent geographical basis for setting subsidy rates for child care. The DSHS regions are stable, well recognized, and permit reasonable estimates of local markets.

The distribution of counties among DSHS Regions is shown in Figure 1 and Table 1.

Figure 1. DSHS Administrative Regions

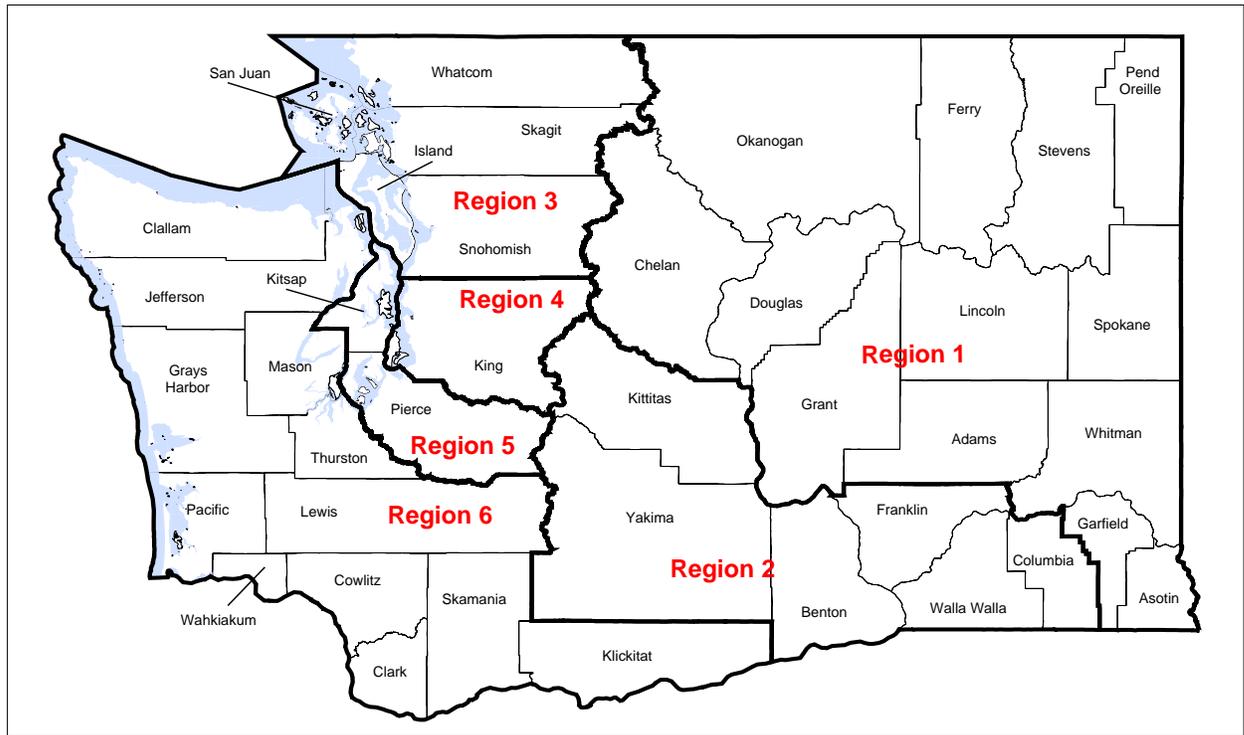


Table 1. Assignment of Counties into DSHS Regions

<u>Region 1</u>	<u>Region 2</u>	<u>Region 3</u>	<u>Region 4</u>	<u>Region 5</u>	<u>Region 6</u>
Adams	Benton	Island	King	Kitsap	Clallam
Asotin	Columbia	San Juan		Pierce	Clark
Chelan	Franklin	Skagit			Cowlitz
Douglas	Kittitas	Snohomish			Grays Harbor
Ferry	Walla Walla	Whatcom			Jefferson
Garfield	Yakima				Klickitat
Grant					Lewis
Lincoln					Mason
Okanogan					Pacific
Pend Oreille					Skamania
Spokane					Thurston
Stevens					Wahkiakum
Whitman					

## **Study Methods**

### *Licensed Facilities*

The child care surveys examine the two types of child care facilities licensed in the state of Washington: (1) child care centers (often referred to as centers), and (2) family child care homes (also referred to as family homes or homes). These surveys do not address unlicensed or illegal care. (Not all unlicensed care is illegal. Paid child care provided in the child's home or in the home of a relative is not subject to licensing; it is legal and is exempt from licensing.)

Centers, defined as facilities that are not residences, are licensed to care for a specific number of children based on staff and space requirements. Family homes are located in residences and are licensed to care for up to 12 children at the same time—subject to the provider's education, experience, staffing, and usable indoor and outdoor space.

### *Survey of Child Care Centers*

Under contract with DSHS, staff at Washington State University's Social and Economic Sciences Research Center (SESRC) attempted to interview directors of all licensed child care centers in Washington State. The list of 2,147 centers comprised every child care center in the state licensing file as of January 1, 2002.

SESRC attempted to contact all child care centers. In the course of conducting the survey an additional eight centers were identified. Most of the phone interviews were conducted in April and May of 2002. Some information from multiple-site centers was collected using either a phone or mail survey with executive directors.

Completion rate statistics for centers are summarized in Table 2. Interviewers disqualified 155 centers because they were out of business, did not have a working phone number, or were not currently offering child care. Of the remaining 2,000 centers, 1,519 completed interviews for a completion rate of 76 percent of eligible centers. If a center had a working phone number, interviewers made fifteen attempts to contact the center.

Table 2. 2002 Center Survey—Sample Completion Rate Statistics

		<u>Number of Centers</u>	<u>Sub-Total Percent</u>	<u>Grand-Total Percent</u>
<b><u>Eligible Child Care Centers</u></b>				
Completed Interviews <sup>(1)</sup>		1,519	76.0%	70.5%
Phone Interviews	1,291			
Mail Questionnaire	228			
Refused		78	3.9%	3.6%
Not Available <sup>(2)</sup>		403	20.2%	18.7%
Sub-total		<b>2,000</b>	<b>100.0%</b>	<b>92.8%</b>
<b><u>Excluded Child Care Centers</u></b>				
Ineligible <sup>(3)</sup>		68	43.9%	3.2%
Non-Working Number <sup>(4)</sup>		35	22.6%	1.6%
Electronic Device+Other <sup>(5)</sup>		52	33.5%	2.4%
Sub-total		<b>155</b>	<b>100.0%</b>	<b>7.2%</b>
<b>Total Sample</b>		<b>2,155 <sup>(6)</sup></b>		<b>100%</b>

<sup>(1)</sup> Includes 10 partially completed interviews.

<sup>(2)</sup> Unable to reach in fifteen attempts, answering machine, or language problem. Includes 8 partial completes.

<sup>(3)</sup> No longer in business.

<sup>(4)</sup> Disconnected or wrong numbers where correct number could not be identified.

<sup>(5)</sup> Duplicates (37), electronic devices, and temporary centers.

<sup>(6)</sup> Includes 8 centers identified during the interviewing process as new branches of multiple-site centers.

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

*Survey of Family Homes*

In January of 2002 there were 7,309 family homes licensed in Washington State. In order to reduce the cost of conducting the family home survey, not all family homes were contacted. Since the survey aims to describe local child care markets, with the smallest unit being the county, only a sample of family homes in the larger counties was selected. All providers were contacted in the seventeen counties with fifty or fewer licensed family homes. Slightly more than one-quarter of all family home providers in the state were included in the sample.

Interviewers at SESRC attempted to contact 2,005 family homes by telephone, 27 percent of the state’s licensed family home child care providers. Most of the interviews were done in April and May 2002. The data from these interviews reflect the child care market as it existed during the school year.

Interviewers disqualified 320 providers who were out of business, operating as a child care center, or not currently offering child care. Of the remaining 1,685 eligible family homes, 1,371 completed interviews for a completion rate of 81 percent. Three hundred and fourteen eligible providers either refused to participate in the survey or were unavailable during the interview period. Interviewers attempted to call all working phone numbers fifteen times. Completion rate statistics for the family home survey are summarized in Table 3.

**Table 3. 2002 Family Home Survey—Sample Completion Rate Statistics**

	<u>Number</u>	<u>Sub-Total Percent</u>	<u>Grand-Total Percent</u>
<b><u>Eligible Family Homes</u></b>			
Completed Interviews <sup>(1)</sup>	1,371	81.4%	68.4%
Refused	135	8.0%	6.7%
Not Available <sup>(2)</sup>	179	10.6%	8.9%
Sub-total	<u>1,685</u>	<u>100.0%</u>	<u>84.0%</u>
<b><u>Excluded Family Homes</u></b>			
Ineligible <sup>(3)</sup>	189	59.1%	9.4%
Non-Working Number <sup>(4)</sup>	131	40.9%	6.5%
Sub-total	<u>320</u>	<u>100.0%</u>	<u>16.0%</u>
<b>Total Sample</b>	2,005		100%

<sup>(1)</sup> Includes 5 partially completed interviews.

<sup>(2)</sup> Unable to reach in fifteen attempts, answering machine, or language problem. Includes 33 partial completes.

<sup>(3)</sup> Not a child care provider or not a family home.

<sup>(4)</sup> Disconnected or wrong numbers where correct number could not be identified, duplicates, or electronic device.

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

*Sampling Methods for the Family Home Survey*

The number of licensed homes varied widely among counties, from one in Wahkiakum and Garfield Counties to over 1,500 in King County (see Table 4 and Appendix A1 or B3). Over 40 percent of the counties in Washington State had fifty or fewer licensed family homes. If a random sample of homes had been drawn, then for many counties with very few homes county-level data could not have been presented. So that information could be reported by county, the sample was stratified according to the number of licensed family home child care providers in a given county.

The numbers of homes in each county—organized into the seven sample strata—are shown in Table 4. Also shown in the table are the sample sizes drawn from each county, the number of completed interviews, and their corresponding percent of the population. In our analyses, the data from family homes was weighted to account for participation rates and for the different sampling rates in each county.

There were 7,309 DSHS licensed family homes in the state as of January 2002. In the seventeen counties with fifty or fewer homes, every provider was included in the sample. For all other counties, the smaller the number of licensed family homes in a county, the greater the proportion of homes surveyed: for counties with 51 to 100 homes, 75 percent of homes were sampled; for counties with 101 to 150 homes, 50 percent of homes were sampled; for counties with 151 to 200 homes, 33 percent were sampled; for counties with 201 to 400 homes, 25 percent were sampled; for counties with 401 or more homes (excluding King County), 18 percent were sampled; and for King County, 17 percent were sampled.

**Table 4. 2002 Family Home Survey—Total Homes, Homes Sampled and Homes Interviewed**

	Licensed Homes	Homes Sampled	Homes Interviewed	Percent of Homes Interviewed
<i>Fewer than 50 Family Homes (sampled at 100%):</i>				
ADAMS	32	32	28	87.5%
ASOTIN	10	10	8	80.0%
CLALLAM	49	49	42	85.7%
COLUMBIA	6	6	5	83.3%
FERRY	3	3	3	100.0%
GARFIELD	1	1	1	100.0%
JEFFERSON	28	28	20	71.4%
KITTITAS	45	45	35	77.8%
KLICKITAT	15	15	9	60.0%
LINCOLN	9	9	6	66.7%
PACIFIC	15	15	12	80.0%
PEND OREILLE	5	5	3	60.0%
SAN JUAN	5	5	3	60.0%
SKAMANIA	7	7	5	71.4%
STEVENS	25	25	17	68.0%
WAHKIAKUM	1	1	0	0.0%
WHITMAN	32	32	22	68.8%
Totals	288	288	219	76.0%
<i>51 to 100 Family Homes (sampled at 75%):</i>				
GRAYS HARBOR	72	54	45	62.5%
ISLAND	64	48	30	46.9%
LEWIS	63	47	37	58.7%
MASON	60	45	31	51.7%
OKANOGAN	70	53	36	51.4%
WALLA WALLA	53	40	26	49.1%
Totals	382	287	205	53.7%
<i>101 to 150 Family Homes (sampled at 50%):</i>				
COWLITZ	103	52	38	36.9%
DOUGLAS	130	65	45	34.6%
WHATCOM	120	60	40	33.3%
Totals	353	177	123	34.8%
<i>151 to 200 Family Homes (sampled at 33%):</i>				
SKAGIT	199	66	41	20.6%
Totals	199	66	41	20.6%
<i>201 to 400 Family Homes (sampled at 25%):</i>				
BENTON	290	73	51	17.6%
CHELAN	255	64	43	16.9%
FRANKLIN	244	61	47	19.3%
GRANT	252	63	42	16.7%
KITSAP	232	58	41	17.7%
THURSTON	259	65	47	18.1%
Totals	1532	384	271	17.7%
<i>401 or more Family Homes, excluding King (sampled at 18%):</i>				
CLARK	463	83	58	12.5%
PIERCE	724	130	88	12.2%
SNOHOMISH	752	135	88	11.7%
SPOKANE	430	77	47	10.9%
YAKIMA	615	111	75	12.2%
Totals	2984	536	356	11.9%
<i>King County (sampled at 17%):</i>				
KING	1571	267	156	9.9%
GRAND TOTALS	7309	2005	1371	18.8%

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

# CHAPTER 2. THE CHILD CARE MARKET

## Child Care Population

Based on the surveys conducted from April through May of 2002, we estimate that 168,160 children in Washington State were in licensed care during that time. About 70 percent of these children were in child care centers and the remaining 30 percent were in licensed family homes.

In-home care (care in the child’s home, not subject to licensing) and unlicensed out-of-home care were not part of this study. These populations have not been estimated by DSHS since a survey done in 1990. Assuming that the proportion of children in these situations has remained the same since the 1990 study, the number of children in unlicensed out-of-home and in-home care was 55,290 and 35,900 respectively. Therefore, an estimated 259,350 children were in paid, licensed and unlicensed child care in Washington State during the study period (Table 5).

In the following chapter, more detailed information about child care populations in Washington State is provided in Table 9 for centers and in Table 10 for family homes.

**Table 5. Estimates of Children in Licensed and Unlicensed Child Care, 2002**

<u>Licensed Care</u>	Children Enrolled	Total Capacity <sup>1</sup>	Number of Vacancies	Vacancy Rate <sup>2</sup>
<u>Centers</u>				
Full-time	67,900			
Part-time	52,130			
Total in Centers	120,020 <sup>3</sup>	124,260	17,680	14.2%
<u>Family Homes</u>				
Full-time	28,920			
Part-time	19,220			
Total in Family Homes	48,140	58,660	10,970	18.7%
Total in Licensed Care	168,160	182,920	28,650	15.7%
<u>Unlicensed Care<sup>4</sup></u>				
Out-of-Home	55,290			
In-Home	35,900			
Total Unlicensed Care	91,190			
<b>Total in Licensed and Unlicensed Care</b>	<b>259,350</b>			

(1) For centers, licensed capacity. For family homes, licensed capacity less providers' children.

(2) Vacancy rate = vacancies/capacity.

(3) Because of rounding, the number of full-time and part-time children do not add up to the total.

(4) Estimated from proportions in the 1990 survey. [*Child Care Rates in Washington: 1990*]

Source: DSHS Division of Child Care and Early Learning  
2002 Surveys of Child Care Centers and Family Homes

*Employment and Income*

Based solely on child care rates and populations reported in the 2002 surveys, we estimate that licensed child care providers in Washington State grossed about \$836 million in 2002. As shown in Table 6, the licensed child care industry employed about 30,600 persons at the time of the interviews.

**Table 6. Estimates of Employment and Revenue in Washington State's Child Care Industry, 1992, 1994, 1996, 1998, 2000 and 2002**

	Total Number of Employees						Revenue in Million Dollars					
	<u>1992</u>	<u>1994</u>	<u>1996</u>	<u>1998</u>	<u>2000</u>	<u>2002</u>	<u>1992</u>	<u>1994</u>	<u>1996</u>	<u>1998</u>	<u>2000</u>	<u>2002</u>
Centers	15,200	16,220	16,667	20,400	20,700	22,000	\$292	\$363	\$375	\$507	\$556	\$613
Family Homes	9,400	9,928	10,166	9,000	8,400	8,600	\$141	\$178	\$187	\$183	\$187	\$223
<b>Licensed Facilities</b>	<b>24,600</b>	<b>26,148</b>	<b>26,833</b>	<b>29,400</b>	<b>29,100</b>	<b>30,600</b>	<b>\$433</b>	<b>\$541</b>	<b>\$561</b>	<b>\$690</b>	<b>\$743</b>	<b>\$836</b>
Out-of-Home Care <sup>(1)</sup>	7,500	8,521	8,797	9,400	9,400	9,600	\$113	\$152	\$167	\$193	\$208	\$256
In-Home Care <sup>(2)</sup>	13,600	15,948	15,538	16,900	16,300	16,700	\$77	\$104	\$110	\$128	\$138	\$170
<b>Unlicensed Care <sup>(3)</sup></b>	<b>21,100</b>	<b>24,469</b>	<b>24,335</b>	<b>26,300</b>	<b>25,700</b>	<b>26,300</b>	<b>\$ 190</b>	<b>\$ 256</b>	<b>\$ 277</b>	<b>\$ 321</b>	<b>\$ 346</b>	<b>\$ 426</b>
<b>Industry Total</b>	<b>45,700</b>	<b>50,617</b>	<b>51,168</b>	<b>55,700</b>	<b>54,800</b>	<b>56,900</b>	<b>\$ 623</b>	<b>\$ 797</b>	<b>\$ 839</b>	<b>\$1,011</b>	<b>\$1,089</b>	<b>\$1,262</b>

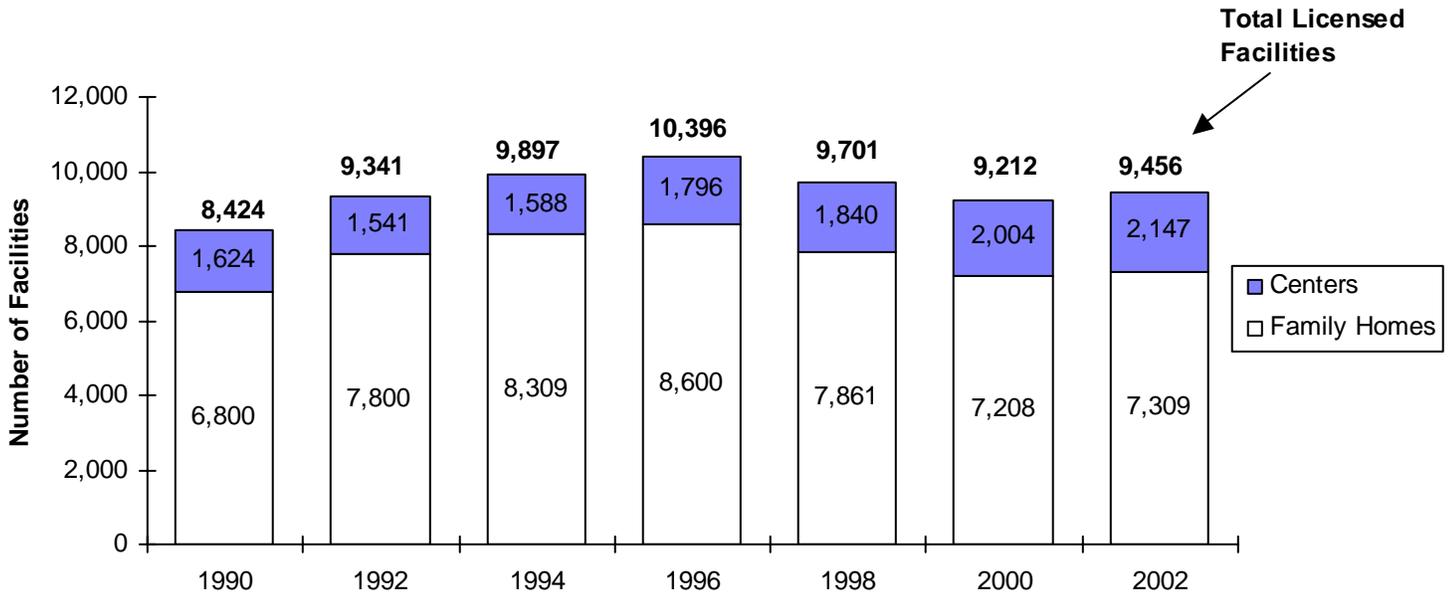
<sup>(1)</sup> Includes unlicensed out-of-home care provided by non-relatives that should, by law, be licensed. Number employed based on family-home adult-child ratio.  
<sup>(2)</sup> Number of in-home care employees based on 1990 survey: (2.2 children/caregiver.)  
<sup>(3)</sup> Assumes same cost per child as in licensed family home care (\$4631/child/year in 2002).

Source: DSHS Division of Child Care and Early Learning  
 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers and Family Homes

*Growth of the Licensed Child Care Industry*

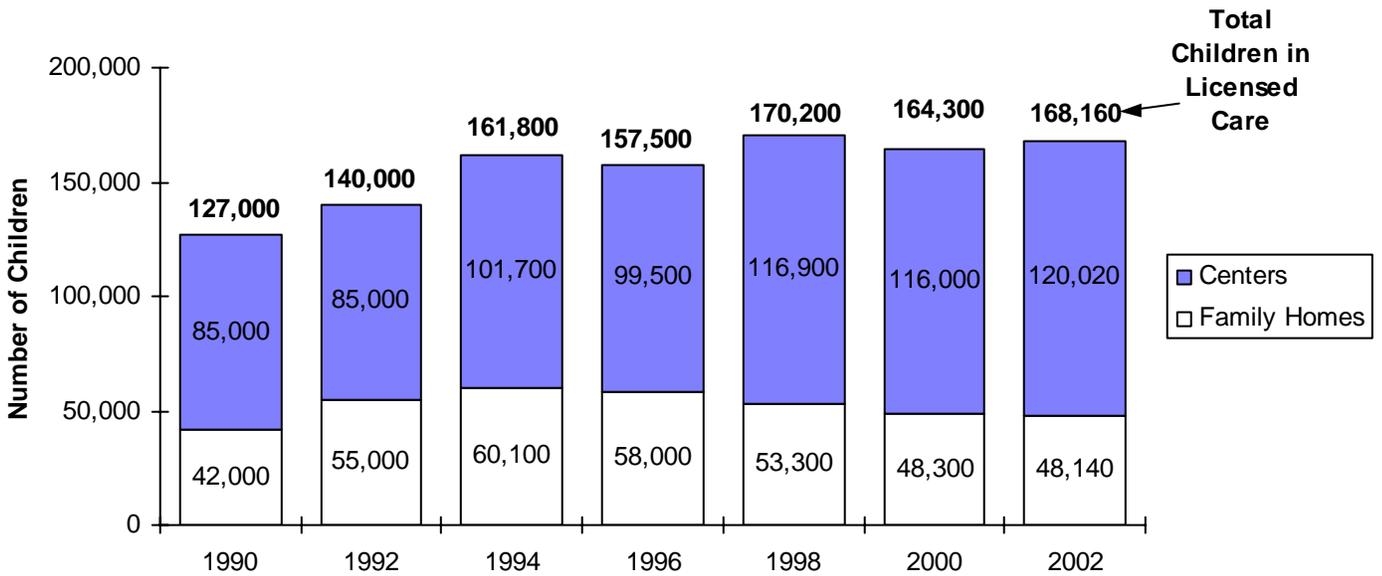
The following two graphs show changes in the size of the licensed child care industry from 1990 to 2002. The number of centers and the number of children attending centers reached a new high in 2002 (Figures 2 and 3). For family homes, on the other hand, there has been a general decline in both the number of homes and children served since 1996. While there was a slight increase in the number of homes between 2000 and 2002, the data for January 2004 indicate a further decline (see Table 7). Over the six years 1996 to 2002 the number of children attending child care centers increased and the number of children in licensed family homes declined.

Figure 2. Licensed Child Care Facilities in Washington State, 1990 to 2002



Source: DSHS Division of Child Care and Early Learning 1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers and Family Homes

Figure 3. Children in Licensed Care in Washington State, 1990 to 2002



Source: DSHS Division of Child Care and Early Learning 1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers and Family Homes

*Decline in Number of Family Homes*

The number of licensed family homes declined from 8,600 to 7,309 from 1996 to 2002, a decline of 15 percent. The decline was not uniform throughout the state. As shown in Table 7, both the absolute number of family homes lost and the percent change was greatest in Region 4 (King County). But the number of licensed homes dropped in all regions except Region 2. Just looking at the information for 1996 to 2002 might lead one to conclude that the decline in family home providers had stopped. More recent information indicates an additional large drop in family homes between 2002 and 2004.

**Table 7. Number of Family Homes, 1996 to 2004**

<b>Region</b>	<b>1996</b>	<b>1998</b>	<b>2000</b>	<b>2002</b>	<b>Change From 1996 to 2002</b>	<b>Percent Change from 1996 to 2002</b>	<b>2004*</b>
1	1,336	1,221	1,174	1,254	-82	-6%	1,125
2	1,055	1,069	1,108	1,253	198	19%	1,219
3	1,465	1,273	1,127	1,140	-325	-22%	1,102
4	2,147	1,855	1,645	1,571	-576	-27%	1,410
5	1,150	1,084	954	956	-194	-17%	1,056
6	1,447	1,359	1,200	1,135	-312	-22%	966
<b>Statewide</b>	<b>8,600</b>	<b>7,861</b>	<b>7,208</b>	<b>7,309</b>	<b>-1,291</b>	<b>-15%</b>	<b>6,878</b>

\* 2004 Information from the January 2004 Licensing File, Division of Child Care and Early Learning.

Source: DSHS Division of Child Care and Early Learning  
1996, 1998, 2000 and 2002 Surveys of Family Homes and 2004 Licensing File

## CHAPTER 3. CHILDREN IN LICENSED CARE

### Introduction

Licensing regulations for child care centers and family homes are determined by state law and administrative rules. In evaluating each licensed facility, the Department of Social and Health Services (DSHS) examines: (1) its premises, equipment, and physical conditions; (2) the number and skills of the licensee and staff; and (3) the ages and characteristics of the children served. The regulations for family home providers differ considerably from those for child care centers. For various reasons, many centers and homes do not operate at their licensed maximum capacity.

DSHS child care regulations differ according to the ages of the children served. For example, in child care centers one adult may care for up to either four infants or fifteen school-age children. Since younger children require more adult supervision than older children, most providers charge more for the care of younger children. In family homes, the number of children under two years old is strictly limited and the number of children under two years old that a provider serves affects the total number of children that he or she can serve.

For this report we categorized children into discrete age groups in accordance with the definitions DSHS uses for licensing regulations in child care centers and subsidy payments. These categories are consistent with the age classifications used by many child care providers:

- Infants, under 12 months old;
- Toddlers, from 12 to 29 months old;
- Preschoolers, from 30 months up to entry into kindergarten; and
- School-age children, from entry into kindergarten to 12 years old (for child care centers the subgroup of the school-age population attending kindergarten is sometimes analyzed separately).

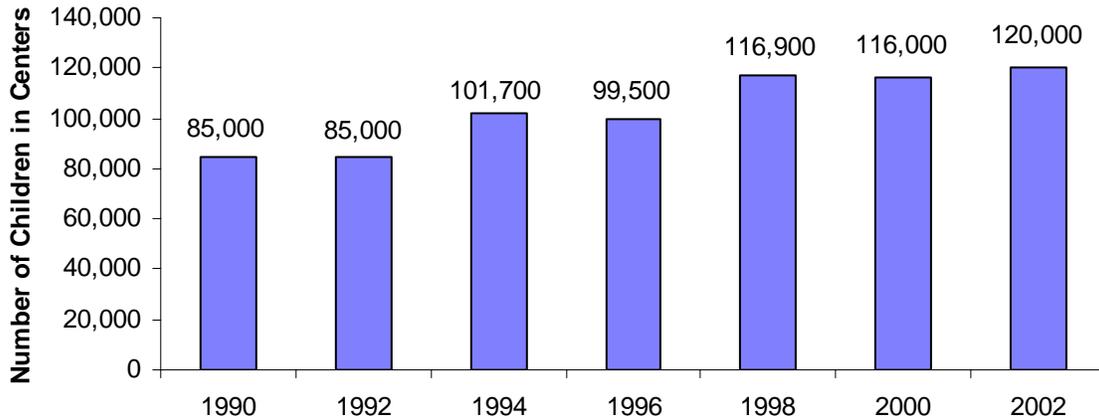
In addition to the age of the child, most providers charge more on a monthly basis for children in full-time care than for children in part-time care. But part-time care often costs more per hour than full-time care. Full-time care, as defined in this report, refers to care provided 30 or more hours per week (about 130 hours a month). Care is considered to be part-time if the child receives less than 30 hours of care per week.

### Child Care Centers

#### *Number of Children in Care, Capacity, and Vacancies in Child Care Centers*

The number of children in child care centers has grown substantially in the past twelve years, rising 41 percent from 85,000 in 1990 to 120,020 in 2002. During the same period the total number of children under 13 in Washington State rose about 14 percent.

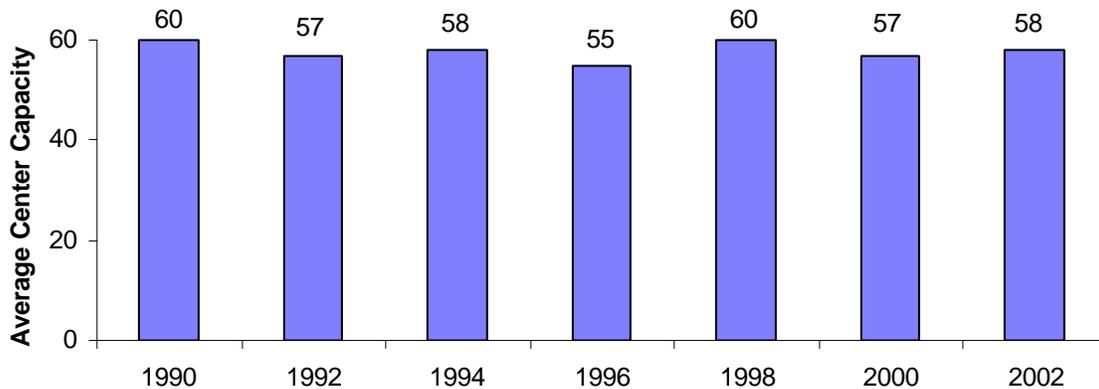
**Figure 4. Number of Children in Licensed Child Care Centers, 1990-2002**



Source: DSHS Division of Child Care and Early Learning 1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers

The above graph shows a large increase in the number of children in centers between 1996 and 1998. During those two years the number of licensed centers only grew from 1,796 to 1,840. In the 1998 report we expressed concern that our estimate of number of children may have been biased because small centers had a lower response rate to the 1998 survey than large centers (see the discussion on page 5 of *Licensed Child Care in Washington State: 1998*). Modifications were made to the 2000 survey process to eliminate differences in the response rates between large and small centers. The data collected in the 2000 and 2002 surveys indicate that the 1998 survey over-estimated both the number of children in child care centers and the average capacity of centers.

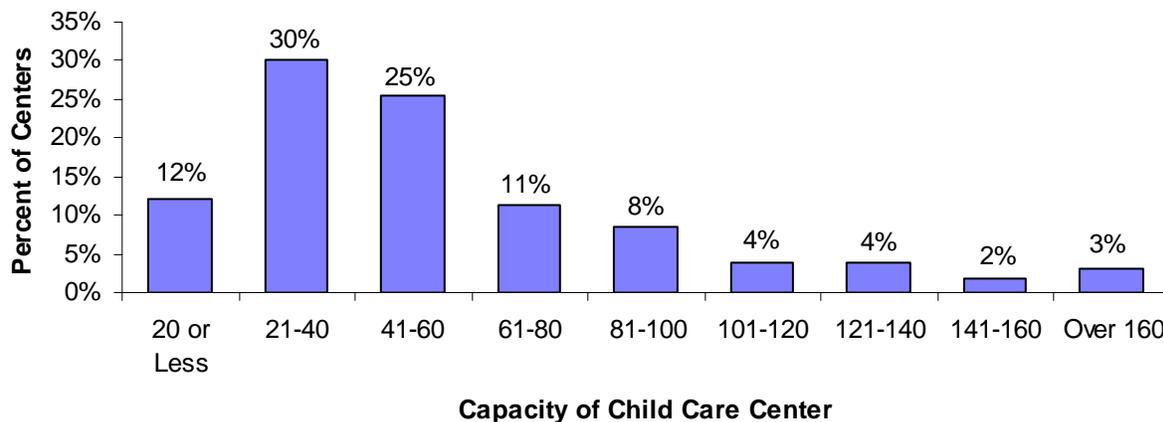
**Figure 5. Average Capacity of Licensed Child Care Centers, 1990-2002**



Source: DSHS Division of Child Care and Early Learning 1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers

The licensed capacity of child care centers varied widely: over 40 percent of centers had a capacity of forty or fewer children while 9 percent of centers had a capacity of over 120 (see Figure 6).

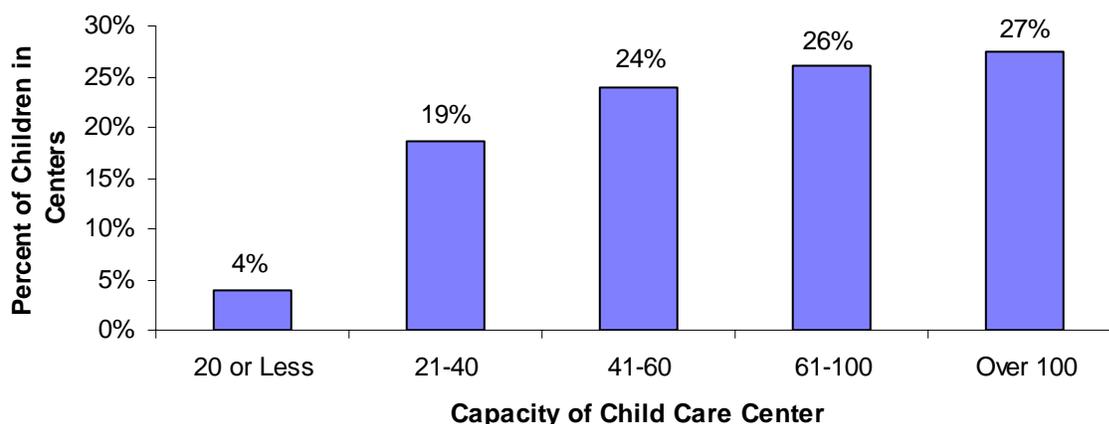
**Figure 6. Distribution of Child Care Centers by Capacity, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

While many centers were small, the big centers served a high proportion of the children in centers. While 42 percent of all child care centers had a capacity of forty or less, only 23 percent of the children attending centers went to centers of such size. Over half of all children in centers (53 percent) went to centers with capacities of more than 60 (see Figure 7).

**Figure 7. Distribution of Children in Child Care Centers by Capacity, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

To estimate vacancies, providers were asked how many openings they had for children of any age. While not all facilities had vacancies, 71 percent of centers reported at least one vacancy. Centers with vacancies averaged 11.9 vacancies per center.

The vacancy rate is the number of vacancies as a percent of total capacity. Compared to a simple measure of the proportion of centers with vacancies, the vacancy rate gives a more accurate picture of the tightness of the market. The overall vacancy rate in 2002 was 14.2 percent for child care centers. Among centers with vacancies, the average vacancy rate was 22 percent in 2002.

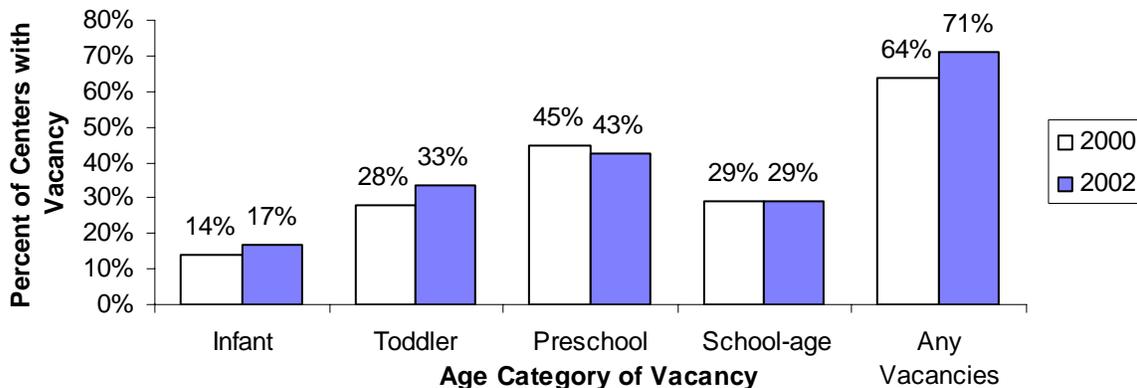
**Table 8. Vacancy Rate in Child Care Centers by Region, 1996 – 2002**

Region	Center Vacancy Rate			
	1996	1998	2000	2002
1	17%	12.3%	12.8%	11.7%
2	18%	16.0%	15.9%	13.5%
3	19%	11.2%	14.0%	16.9%
4	14%	10.8%	10.5%	14.2%
5	14%	10.5%	12.8%	12.2%
6	16%	14.2%	13.7%	17.0%
<b>All</b>	16%	12.0%	12.6%	14.2%

Source: DSHS Division of Child Care and Early Learning 1996, 1998, 2000 and 2002 Surveys of Child Care Centers

A vacant slot in a home or center may not be open to children of all ages. The state limits the number of children that can be placed in a facility by age. In centers, for example, one adult may care for four infants, seven toddlers, ten preschoolers, or fifteen school-age children. Therefore, while some providers may not have sufficient staff to accept more infants, they may have vacancies for older children. The percent of centers with vacancies in various age categories for 2000 and 2002 is presented in Figure 8. Excluding school-age children, the younger the child, the less likely a center was to have an opening for that child. Looking at the changes between 2000 and 2002, many more centers had at least one vacancy in 2002 than in 2000 and there was an increase in the percent of centers with infant and toddler vacancies.

**Figure 8. Percentage of Centers with Vacancies by Age Category, 2000 and 2002**

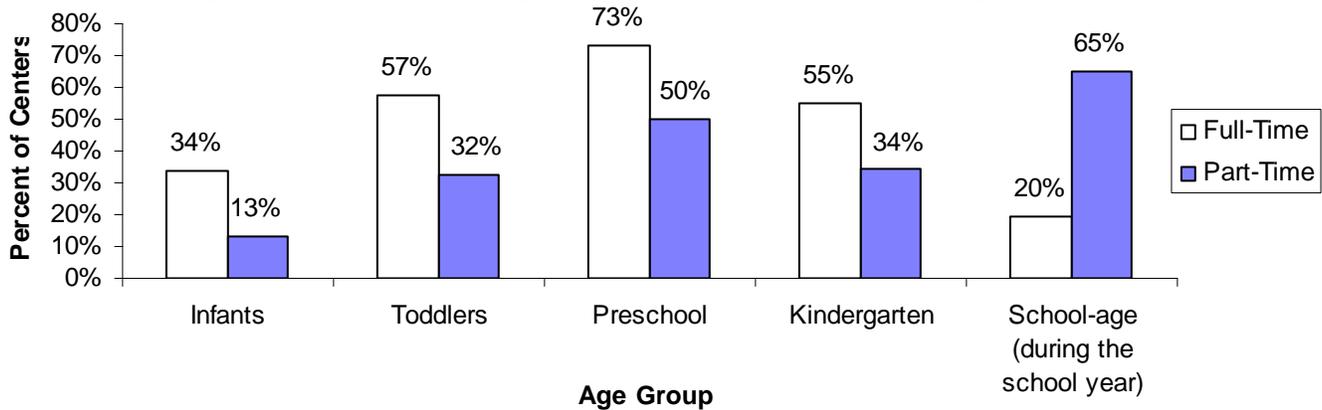


Source: DSHS Division of Child Care and Early Learning 2000 and 2002 Surveys of Child Care Centers

Full-Time and Part-Time Care in Centers by Age Category

Some centers only provide care for children of certain ages. The vast majority of centers in 2002 provided either full-time or part-time care for preschool-age children (76 percent) while only about one-third of centers provided care for infants (36 percent). Many centers did not offer both full-time and part-time options. The percentages for centers that offered full-time and part-time care for various age groups of children are shown in Figure 9. The most commonly provided care was full-time care for preschoolers with 73 percent of centers offering such care. The least common care provided by centers was that for part-time infants: 13 percent of centers offered part-time infant care.

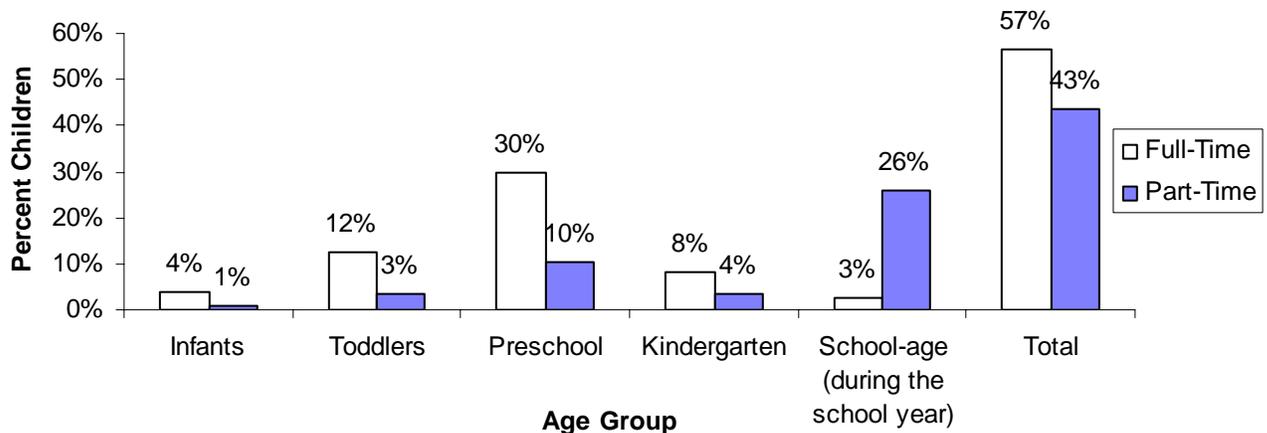
Figure 9. Centers Providing Full-Time and Part-Time Care by Age Group, 2002



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

The estimated distribution of children in centers by age group and time-in-care is summarized in Figure 10. Preschoolers in full-time care constituted the largest group of children attending centers (30 percent). Infants in part-time care were the smallest group, comprising just one percent of the children in child care centers. Over 40 percent of the children in center care were either in kindergarten or school-age.

Figure 10. Distribution of Children in Centers in Full-Time or Part-Time Care, 2002



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

Many centers planned to provide care for school-age children during the summer (data not shown). A total of 79 percent of centers offered some care for school-age children (kindergarten or above) during the school year and about 58 percent planned to offer care for these children in the summer. Among centers planning to provide summer care for school-age children, most planned to provide full-time care (94 percent) and almost half planned to provide part-time care (49 percent).

About 20 percent of centers only provided care to school-age children. Of the remaining centers who provided care to some non-school-age children: 31 percent only served part-time children; 15 percent only served full-time children; and 54 percent served full-time and part-time children.

Table 9 presents estimates of the numbers of children by DSHS Region and age group. Separate estimates were made for full-time and part-time children in child care centers. Changes in the questions on school-age children in the 2002 center survey made it difficult to identify the number of school-age children in care for 30 hours or more per week (full-time care). Information on the total number of school-age children was not affected, but we could not clearly distinguish the number of school-age children in full-time care from all school-age children in care. To correct for this, it was assumed that the ratio between full- and part-time school-aged children in 2002 was the same as that in the 2000 survey. The 2000 ratio was applied to the 2002 school-age numbers to yield the reported population estimates for full-time and part-time school-age children.

**Table 9. Estimated Child Care Center Populations by Age and Region, 2002**

**Full-Time Population Estimate <sup>[1]</sup>**

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	760	560	520	1,410	630	560	4,440
Toddlers	2,380	1,570	1,960	4,630	2,410	1,990	14,940
Preschool	4,710	3,220	4,650	11,950	5,890	5,160	35,590
Kindergarten	1,830	750	1,440	2,550	1,740	1,380	9,700
School-age <sup>[2]</sup>	340	100	600	1,090	810	290	3,230
<b>Total</b>	<b>10,020</b>	<b>6,200</b>	<b>9,170</b>	<b>21,630</b>	<b>11,480</b>	<b>9,380</b>	<b>67,900</b>

**Part-Time Population Estimate <sup>[1]</sup>**

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	130	70	80	250	120	170	820
Toddlers	700	150	700	1,180	550	650	3,930
Preschool	1,800	600	2,020	4,650	1,430	1,770	12,270
Kindergarten	740	370	540	1,310	770	500	4,230
School-age <sup>[3]</sup>	6,620	3,140	3,450	9,060	4,090	4,510	30,880
<b>Total</b>	<b>9,990</b>	<b>4,330</b>	<b>6,790</b>	<b>16,450</b>	<b>6,960</b>	<b>7,600</b>	<b>52,130</b>

<sup>[1]</sup> Children in sample multiplied by a county weighting factor to estimate population.

<sup>[2]</sup> Survey was conducted during the school year. School-age children in part-time care may switch to full-time care in the summer.

<sup>[3]</sup> Part-time school-age total includes before- and after-school care.

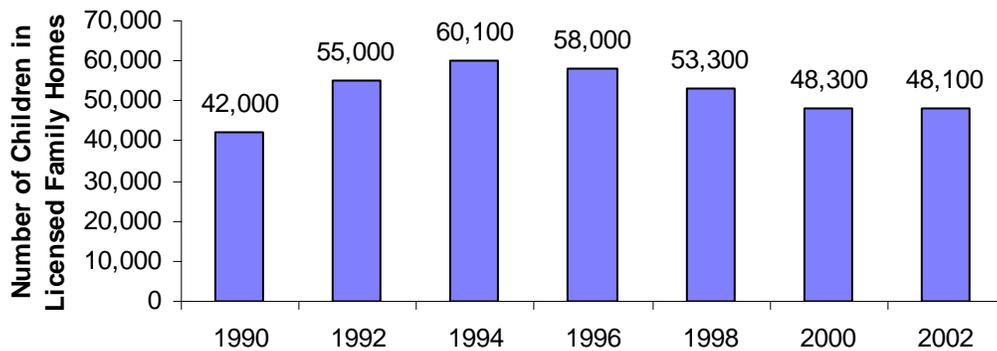
Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

**Family Homes**

*Number of Children in Care, Capacity, and Vacancies in Family Homes*

Children in licensed family homes receive care in the providers’ residence. The number of children cared for in licensed family homes has been declining since 1994 and the number of licensed family home providers generally has been declining since 1996 (see Figure 2). While the number of licensed homes increased slightly between 2000 and 2002, the 2004 data indicate a continued drop in the number of licensed homes (see Table 7 in Chapter 2).

**Figure 11. Number of Children in Licensed Family Homes, 1990-2002**



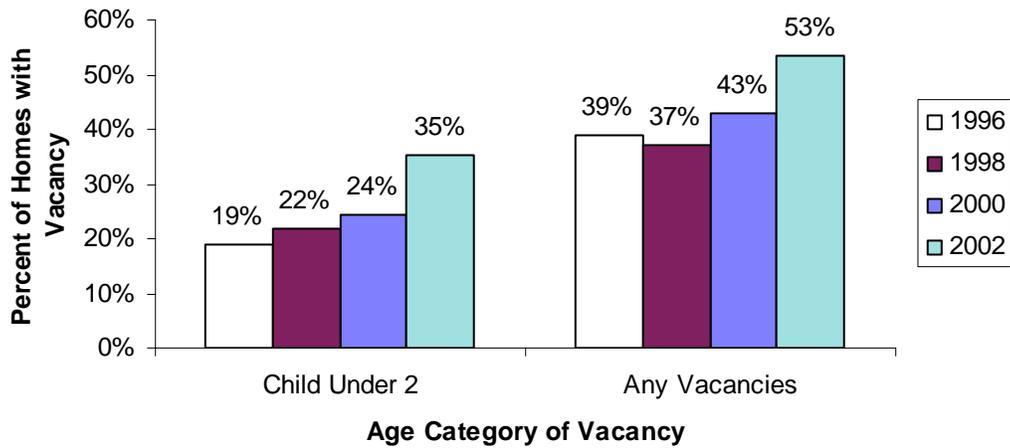
Source: DSHS Division of Child Care and Early Learning 1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Family Homes

Because family homes are licensed to care for twelve or fewer children at the same time, their average licensed capacity is considerably less than that of centers. The average licensed capacity for family homes in 2002 was 8.0 children per home. The licensing regulations for family homes limit the number of children under two that can be in attendance at the same time from a maximum of two children under two with one adult providing care up to a maximum of four children under two if two adults are providing care. (All references to family home capacity in this report subtract the number of the providers’ own children under 12 that they reported providing care for from their licensed capacity.)

To estimate vacancies, family home providers were asked how many openings they had for children of any age. On average, providers reported 1.5 vacancies per family home, up from 1.2 in 2000. The percent of homes that reported at least one vacancy climbed from 43 percent in 2000 to 53 percent in 2002. The vacancy rate (number of vacancies/total capacity) in 2002 was 19.1 percent for family homes, up from 15.5 percent in 2000. According to the 2002 survey, homes with vacancies had an average vacancy rate of 35 percent.

The licensing regulations for family homes strictly limit the number of children under two years old in each licensed family home. Therefore, family home providers were asked about how many vacancies they had for children under two in addition to a general question on number of vacancies. The results are displayed in Figure 12.

Figure 12. Percentage of Family Homes with Vacancies by Age Category, 1996-2002

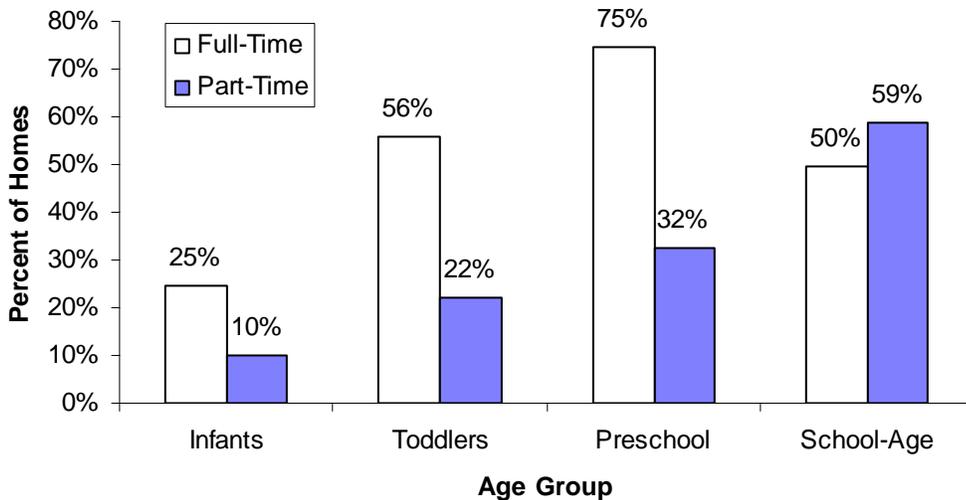


Source: DSHS Division of Child Care and Early Learning  
1996, 1998, 2000 and 2002 Survey of Family Homes

*Full-Time and Part-Time Care in Family Homes by Age Category*

As was the case with child care centers, the most common type of care provided by family homes was full-time child care for preschoolers. Three quarters of all family homes provided full-time care to preschoolers. At the other extreme, only 10 percent of homes provided part-time care to infants. Figure 13 shows the proportion of homes that provided full-time or part-time care to each age group.

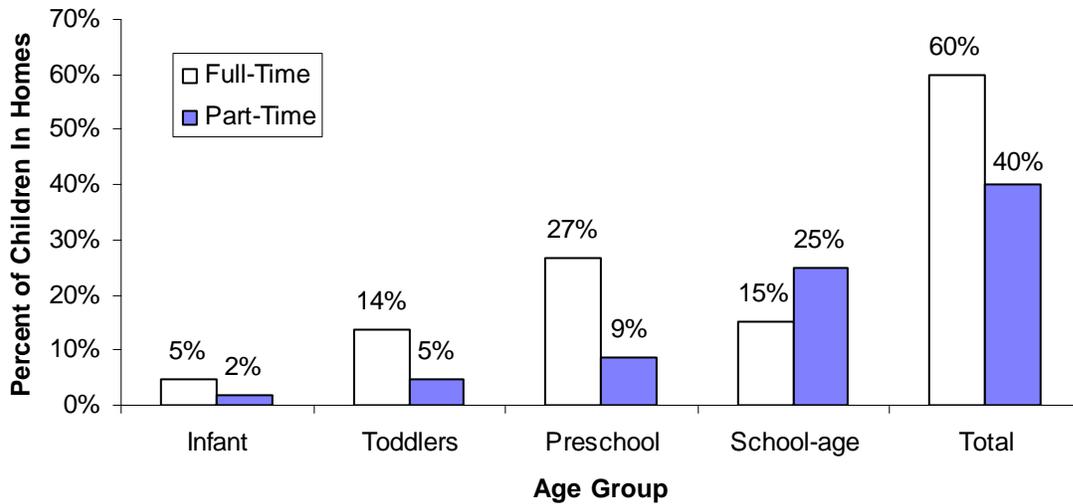
Figure 13. Homes Providing Full-Time or Part-Time Care by Age Group, 2002



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

Figure 14 shows the distribution of children in family homes by age group and part-time or full-time status. Kindergarten-aged children are included in the school-age population for family homes. Keeping that difference in mind, the distributions of children by age group for family homes and centers are quite similar (compare Figures 10 and 14). As in centers, the smallest category was part-time infants and the largest group of children was preschoolers in full-time care. Forty percent of all children in care were school-age.

**Figure 14. Distribution of Children in Homes in Full-Time or Part-Time Care, 2002**

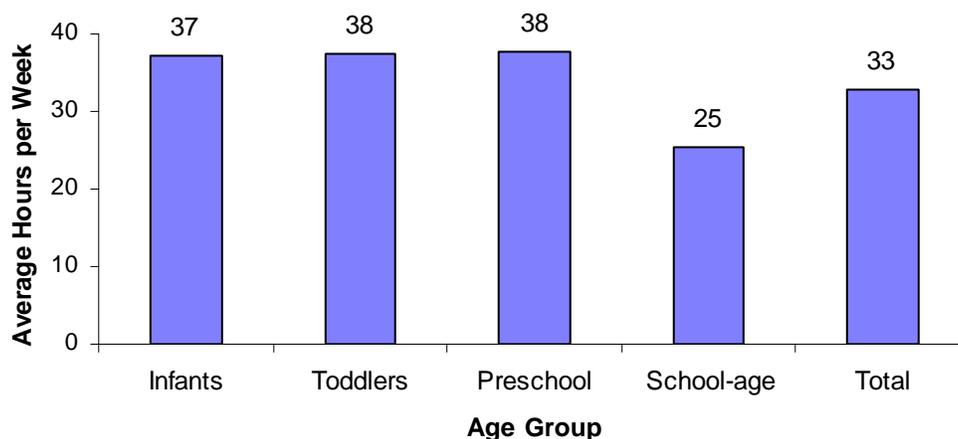


Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

Six percent of licensed family homes only served school-age children. Almost 70 percent served both full-time and part-time children and 22 percent only served full-time children. The proportion of licensed family home providers that accepted part-time children rose from 60 percent in 2000 to 88 percent in 2002.

Children in family homes spent an average of 33 hours per week in child care. Infants, toddlers, and preschoolers spent the most time in care. School-age children spent the least time in care (25 hours per week on average). Average time in care for all children and by age-group is shown in Figure 15.

Figure 15. Average Hours per Week in Family Home Care by Age Group, 2002



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

The estimated populations of children in licensed family homes, by region, age group, and time-in-care are presented in Table 10. School-age children, because of their need for before- and after-school care, were most likely to receive part-time care. Indeed, they accounted for about 60 percent of the total part-time population in family homes.

Table 10. Estimated Licensed Family Home Child Care Populations by Age and Region, 2002

**Full-Time Population Estimate<sup>[1]</sup>**

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	430	440	300	490	270	250	2,180
Toddler	960	1,400	1,050	1,420	840	1,000	6,670
Preschool	2,300	2,220	1,790	2,840	1,680	1,960	12,790
School-age <sup>[2]</sup>	1,200	1,440	1,090	1,440	970	1,150	7,290
Total	4,890	5,500	4,230	6,190	3,760	4,360	28,920

**Part-Time Population Estimate<sup>[1]</sup>**

Age Group	Region 1	Region 2	Region 3	Region 4	Region 5	Region 6	All
Infant	110	90	150	260	130	110	830
Toddler	340	330	410	580	290	290	2,240
Preschool	660	460	700	1,230	440	700	4,190
School-age <sup>[2]</sup>	1,600	1,680	2,260	2,120	1,960	2,340	11,960
Total	2,710	2,560	3,520	4,190	2,820	3,440	19,220

<sup>[1]</sup> Children in sample multiplied by a county weighting factor to estimate population.

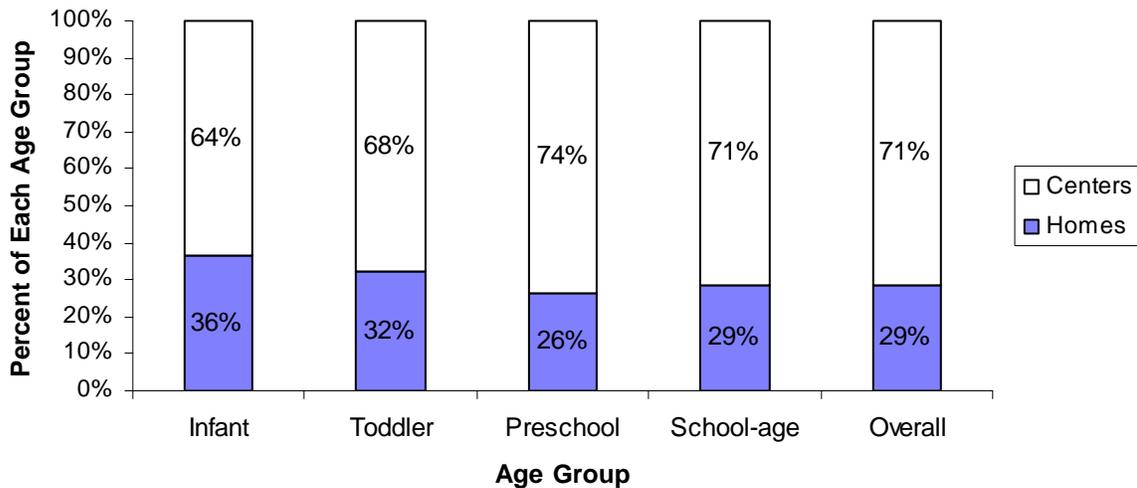
<sup>[2]</sup> Survey was conducted during the school year. School-age children in part-time care may switch to full-time care in the summer.

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

### Specialization in the Child Care Market

The age distribution and hours in care for children in licensed homes appear remarkably similar to those attending child care centers. But closer examination reveals some interesting differences. While children of all ages in licensed care were more likely to attend child care centers than family homes, the age of the child was related to the type of licensed provider used. Compared to older children, younger children (particularly infants) were more likely to go to family homes (see Figure 16). While 29 percent of all children in licensed care at the time of the 2002 surveys went to family home providers, 36 percent of infants in licensed care went to family homes.

**Figure 16. Enrollment of Children in Licensed Home Care versus Child Care Centers, 2002**

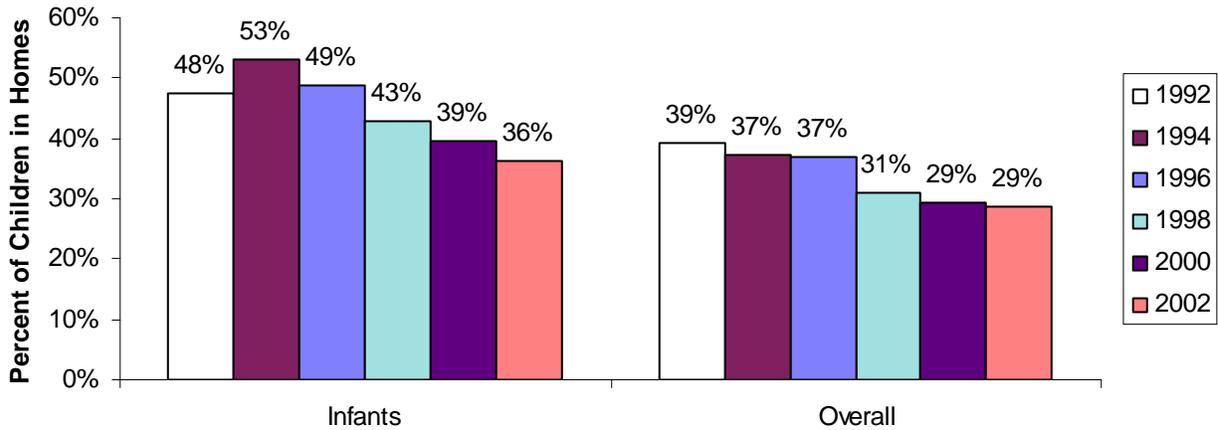


Source: DSHS Division of Child Care and Early Learning  
2002 Surveys of Child Care Centers and Family Homes

### *Shift in Attendance of Children in Licensed Care from Homes to Centers*

Over the ten years 1992 to 2002, the number of children that attended child care centers increased (see Figure 4). The number of children in licensed family homes, on the other hand, decreased in the eight years from 1994 to 2002 (see Figure 11). As a consequence, the proportion of children in licensed care that were in licensed family homes declined from 39 percent in 1992 to 29 percent in 2002. The decline in the proportion of infants in licensed care that went to family homes is particularly striking. In 1994 over half of all infants in licensed care were cared for in family homes; in 2002 only 36 percent of all infants in licensed care were in family homes.

Figure 17. Proportion of Children in Licensed Care that Attend Family Homes, 1992-2002



Source: DSHS Division of Child Care and Early Learning 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers and Family Homes

*Urban/Rural Differences*

One reason for a parent to send their child to a family home provider rather than a child care center is the availability of care. It was expected that licensed care in child care centers would be less available in rural areas than in more urbanized areas. The thirty-nine counties in Washington State were categorized according to how many people live in cities of 10,000 or more. Counties with more than 100,000 people in cities of 10,000 or more were categorized as Metropolitan, counties with more than 40,000 people in cities of 10,000 or more were called Small Urban, and the remaining counties were classed as Rural. (Population estimates from Table 4 in OFM’s 2003 Population Trends for Washington State, 2003.)

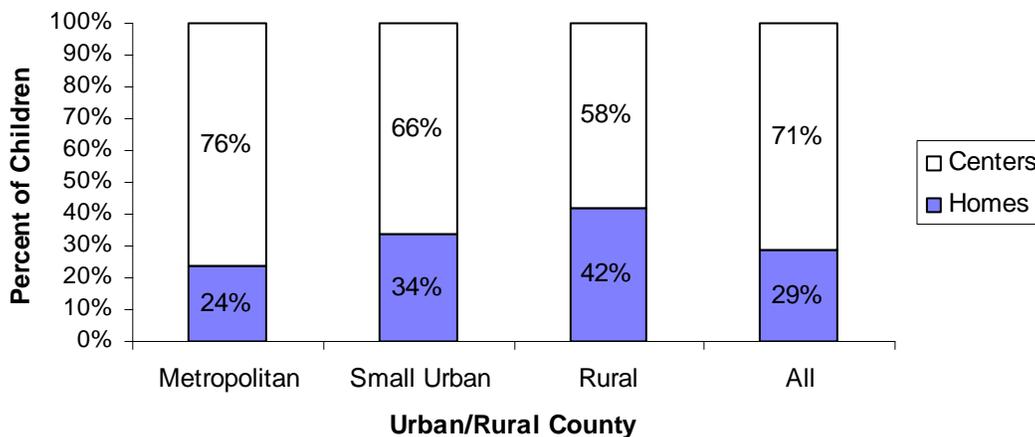
**Table 11. Counties by Degree of Urbanization**

Metropolitan	Small Urban	Rural		
Clark	Benton	Adams	Grays Harbor	Pend Oreille
King	Cowlitz	Asotin	Island	San Juan
Pierce	Kitsap	Chelan	Jefferson	Skamania
Snohomish	Skagit	Clallam	Kittitas	Stevens
Spokane	Thurston	Columbia	Klickitat	Wahkiakum
	Whatcom	Douglas	Lewis	Walla Walla
	Yakima	Ferry	Lincoln	Whitman
		Franklin	Mason	
		Garfield	Okanogan	
		Grant	Pacific	

Using this rough division of counties according to their degree of urbanization, we see that the more rural the county the higher the proportion of children in licensed care that went to family homes rather than child care centers in 2002. Only 24 percent of children in licensed care in the five most urbanized counties in Washington State went to family homes, while 42 percent of

children in licensed care in the 27 counties classified as rural went to family homes (see Figure 18).

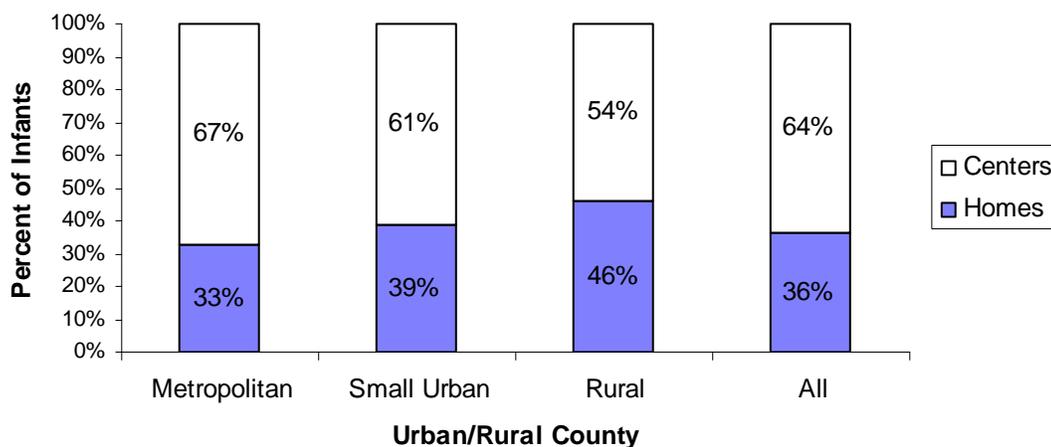
**Figure 18. Distribution of Children in Licensed Care by Degree of Urbanization, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Surveys of Child Care Centers and Family Homes

As shown in Figure 16, the younger the age of the child in licensed care, the more likely they were to be in family homes rather than child care centers. In addition, the more the rural the county, the more likely a child in licensed care was to attend a family home rather than a child care center. As a consequence of these two trends, 46 percent of the infants in licensed care in rural counties went to family homes rather than child care centers (see Figure 19). This is down slightly from 50 percent in 2000, and substantially down from 1998 when 58 percent of infants in licensed care in rural counties went to family homes.

**Figure 19. Distribution of Infants in Licensed Care by Degree of Urbanization, 2002**

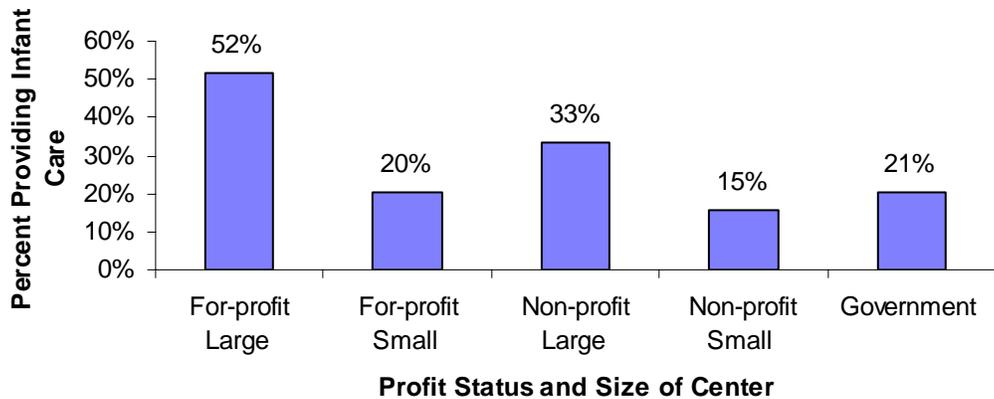


Source: DSHS Division of Child Care and Early Learning  
2002 Surveys of Child Care Centers and Family Homes

*Type of Center and Specialization*

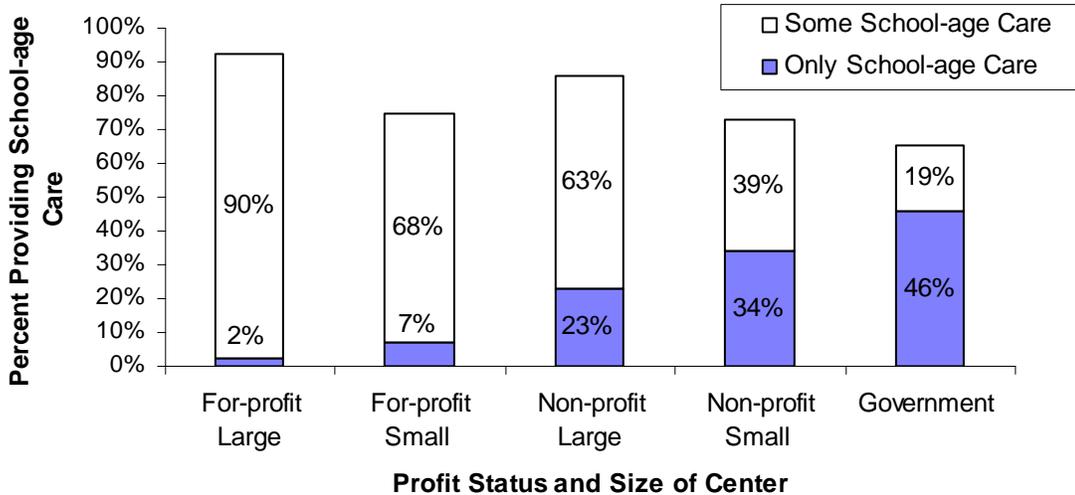
Focusing on child care centers, differences in the profit status of centers and specialization in the provision of child care were examined. Centers were classified as either non-profit, for-profit, or government centers. In addition, centers with a capacity of sixty or more were distinguished from smaller centers. While almost all centers served toddlers and preschoolers, there was evidence of specialization in the provision of care for very young and school-age children. For-profit centers with a capacity of sixty or more were the centers most likely to have provided care for infants (see Figure 20). Large for-profit child care centers were also the most likely to have provided care for school-age children, but a high proportion of government and small non-profit centers specialized in school-age care (see Figure 21).

**Figure 20. Child Care Centers' Profit Status and Infant Care, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

**Figure 21. Child Care Centers' Profit Status and School-Age Care, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

**Availability and Use of Child Care**

*Capacity and Vacancies for Licensed Child Care*

In order to understand the overall availability of licensed child care in Washington State, the information on child care centers and family home providers was combined. In that context, the decline in the number of children in licensed family homes in the eight years from 1994 to 2002 was offset by an increase in the number of children attending child care centers. The total number of children in licensed care was fairly stable from 1998 to 2002.

The vacancy rate indicates how much difficulty families may experience in trying to find licensed care for their children. Between 1996 and 1998 the vacancy rate declined, suggesting an increasing tightness in the child care market. The vacancy rate has risen since then, reaching an eight year high of 16 percent in 2002. Table 12 presents the vacancy rates in the licensed child care market from 1994 through 2002.

**Table 12. Vacancy Rate for Licensed Child Care in Washington State, 1994-2002**

	<u>1994</u>	<u>1996</u>	<u>1998</u>	<u>2000</u>	<u>2002</u>
<b>Vacancy Rate</b>					
Centers	13%	16%	12%	13%	14%
Family Homes	16%	14%	14%	16%	19%
<b>All Licensed Facilities</b>	14%	15%	13%	14%	16%

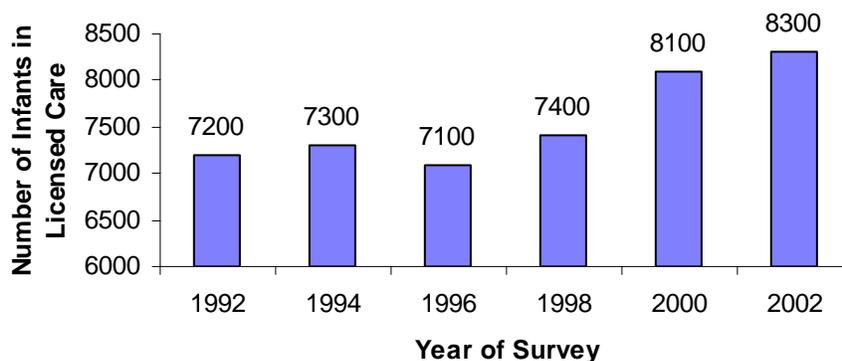
Source: DSHS Division of Child Care and Early Learning 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers and Family Homes

*Vacancies for Very Young Children*

The number of infants served in licensed care increased steadily from 1996 to 2002 (see Figure 22 on the next page). Almost all of that change was due to an increase in the number of infants in center care. As of July 1999 single parents of infants under one year old were no longer exempt from TANF regulations requiring participation in work-related activities after the first three months of an infant’s life. An examination of the payments made for child care by DSHS indicates that the number of TANF families with infants in licensed care rose by only about 150 between 1998 and 2002 (18 percent). On the other hand, the number of non-TANF families receiving child care subsidies for their infants in licensed care increased by over 1,600 between 1998 and 2002, a rise of 183 percent.

Over the past ten years the number of births in Washington State has been fairly constant, ranging from 79,962 in 1991 (the year prior to the 1992 survey) to 79,542 in 2001. The proportion of infants in licensed care has increased slightly from 9.0 percent in 1992 to 10.4 percent in 2002.

Figure 22. Number of Infants in Licensed Care, 1992-2002



Source: DSHS Division of Child Care and Early Learning 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers and Family Homes

While the number of infants in licensed care has grown, still only about one-third of centers and family homes cared for infants in 2002. Similarly, the proportion of facilities with infant vacancies was low. While 71 percent of all centers had vacancies, only 17 percent of centers had vacancies for infants (see Figure 8 earlier in this chapter). In family homes, 53 percent had vacancies and 35 percent had vacancies for children under two (see Figure 12 earlier in this chapter.)

If the availability of infant slots is inadequate, then the vacancy rate for infants should be lower than that for other age groups. In fact, the center vacancy rate for infants of 16.0 percent was slightly higher than the overall vacancy rate for children (14 percent, see Table 12) and the home vacancy rate of 36.1 for children under two was much greater than that for children overall (19 percent, see Table 12). The vacancy rates for young children were greater than those reported from the 2000 child care surveys. Anecdotal accounts, however, continue to indicate that licensed care for very young children may be very limited in many areas of the state.

Table 13. Vacancies for Very Young Children in Centers and Family Homes, 2002

	<u>Number Served</u>	<u>Number of Vacancies</u>	<u>Estimated Vacancy Rate*</u>
<b>Centers</b>			
Infants (under 1 year old)	5,252	999	16.0%
Toddlers (1 to under 2.5 years old)	18,873	4,308	18.6%
<b>Licensed Family Homes</b>			
Infants (under 1 year old)	3,008		
Children 1 to under 2 years old	4,914		
Children 2 years old and younger	7,922	4,480	36.1%

\* Vacancy rate is estimated by dividing the number of vacancies by the sum of the number of children served and the number of vacancies.

Source: DSHS Division of Child Care and Early Learning 2002 Surveys of Child Care Centers and Family Homes

**Age Differences of Children in Licensed Care**

A child’s age is a strong predictor of whether or not he or she is in licensed care. According to the child care surveys, approximately 168,160 children received licensed child care in the spring of 2002 (see Column (C) in Table 14). The Office of Financial Management (OFM) estimated that there were about 1,081,930 children under 13 years old living in Washington State at that time (see Column (A) in Table 14). By combining the OFM data with the child care survey data we estimate that 16 percent of all children under age 13 were in licensed care in the spring of 2002 (168,160/1,081,930).

Table 14 combines OFM and child care survey data to make estimates of the percent of children of various ages that were in licensed care. Column (E) in Table 14 presents estimates of the percent of children in each age category that were in licensed care. About one-quarter of all children of preschool age (between 2½ and 5½) were in licensed care, a higher proportion than that for any other age-group. Preschoolers also were a large component of the children in licensed care, comprising 39 percent of all children in licensed care (see Column (D) in Table 14). While a slightly higher proportion of all children in licensed care were school-age (40 percent, Column (D)), only 10 percent of all school-age children under 13 were in licensed care (see Column (E)). Infants were also unlikely to be in licensed care, with only 10 percent of infants in licensed care (see Column (E)).

[Note: The preschool population in Table 14 includes all children 2½ through 5½ years of age. Children must be five by the start of the school year in September to enroll in kindergarten; therefore, approximately half of all five year olds at the time of the child care survey in early 2002 were not eligible to enroll in kindergarten in the fall of 2001. Table 14 includes half of all five year olds in the preschool category and half in the school-age age category.]

**Table 14. All Children in Washington State Compared to Children in Licensed Care**

<b>Age Group</b>	<b>(A) OFM Estimate of Number in Age Group [1]</b>	<b>(B) Percent of Children Under 13 in Age Group</b>	<b>(C) Estimated Number of Children in Licensed Care [2]</b>	<b>(D) Age Group as Percent of All Children in Licensed Care</b>	<b>(E) Percent of Age Group in Licensed Care</b>
Infants	79,884	7%	8,260	5%	10%
Toddlers	119,826	11%	27,783	17%	23%
Preschool <sup>[3]</sup>	241,242	22%	64,831	39%	27%
School-age	640,978	59%	67,286	40%	10%
<b>Total (&lt;13)</b>	<b>1,081,930</b>	<b>100%</b>	<b>168,160</b>	<b>100%</b>	<b>16%</b>

[1] Based on estimates of 2002 populations by OFM (Governor's Office of Financial Management).

[2] From 2002 Surveys of Child Care Centers and Family Homes.

[3] Preschool includes children ages 2.5-5.5.

A convenient statistic for comparing availability of licensed care among different regions of the state is the number of licensed slots per 100 children. In 2002, about 1,081,900 children under the age of 13 lived in Washington State in 2002. The total licensed capacity of centers and homes was 182,900. So, there were 17 licensed slots in the state for every 100 children under 13 years old (see Table 15).

Among the DSHS regions, availability ranged from 14 slots per 100 children in Regions 5 and 6 to 21 slots per 100 children in Region 1 (Table 15). Since almost 60 percent of children in licensed care were under five years old, a separate estimate was made of the proportion of licensed slots available for children under five. It was assumed that the proportion of slots available to children under five at a given home or child care center could be estimated by the proportion of children served who were under five years old. Using this strategy, it was estimated that Washington State had 27 licensed child care slots for every 100 children under five years old.

Availability varied widely among counties—from under seven slots per 100 children under 13 in Ferry, Garfield, Klickitat and Stevens, to 20 or more slots per 100 children in Chelan, Douglas, Franklin, Skagit, Spokane, Whitman, and Yakima (see Table A3 and Map B4 in the Appendices). Differences in availability among regions or counties can be attributed to many factors. Among them are differences in profitability, in the value parents placed on licensed child care, in the availability of safe alternatives to licensed care, and in the ability of the state to recruit and license providers.

**Table 15. Regional Variation in Availability of Child Care, 2002**

Region	<----- Children Under 13 ----->			<----- Children Under 5 ----->		
	Children 0-12 <sup>[1]</sup>	Licensed Slots <sup>[2]</sup>	Slots per 100 Children	Children 0-4 <sup>[1]</sup>	Licensed Slots <sup>[2]</sup>	Slots per 100 Children
1	141,200	29,500	21	51,400	16,400	32
2	112,400	21,000	19	42,400	12,600	30
3	183,700	27,300	15	67,100	16,500	25
4	281,700	53,800	19	106,300	34,300	32
5	181,500	25,700	14	66,500	15,100	23
6	181,300	25,500	14	65,700	15,000	23
<b>Total</b>	<b>1,081,900</b>	<b>182,900</b>	<b>17</b>	<b>399,400</b>	<b>109,700</b>	<b>27</b>

[1] Based on 2002 population estimates by Office of Financial Management.

[2] From 2002 Surveys of Child Care Centers and Family Homes.

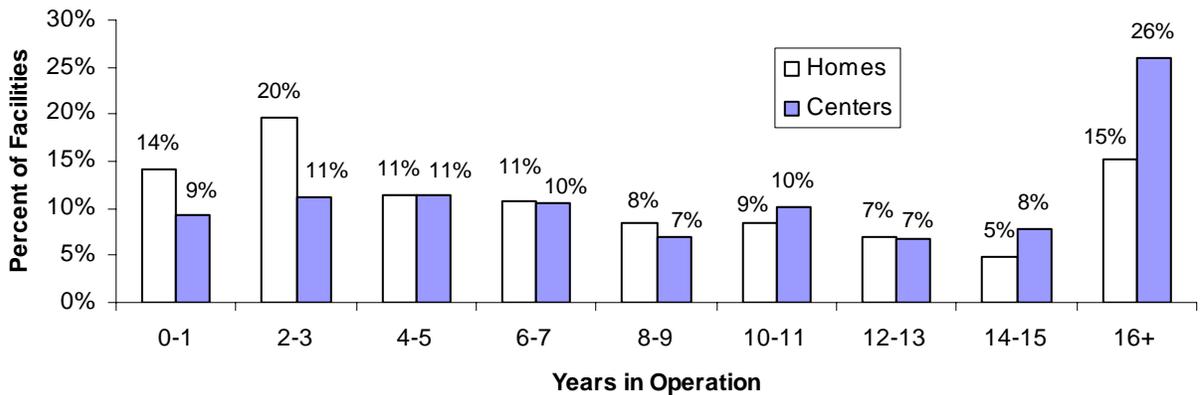
# CHAPTER 4. PROVIDER BUSINESS TRAITS

## Years of Operation for Child Care Centers and Family Homes

Centers generally stay in business longer than do family homes. According to the 2002 surveys, centers had been in business for an average of 11.3 years and family homes had been in operation for an average of 8.5 years. About half of centers and one-third of family homes had been in operation for ten years or more. A much higher percentage of family homes than centers had been in business for less than four years (34 percent versus 20 percent).

Family home providers reported as many as 42 years of experience. Centers reported being in business up to 92 years. The percentage of family homes and centers, by years of operation, are shown in Figure 23.

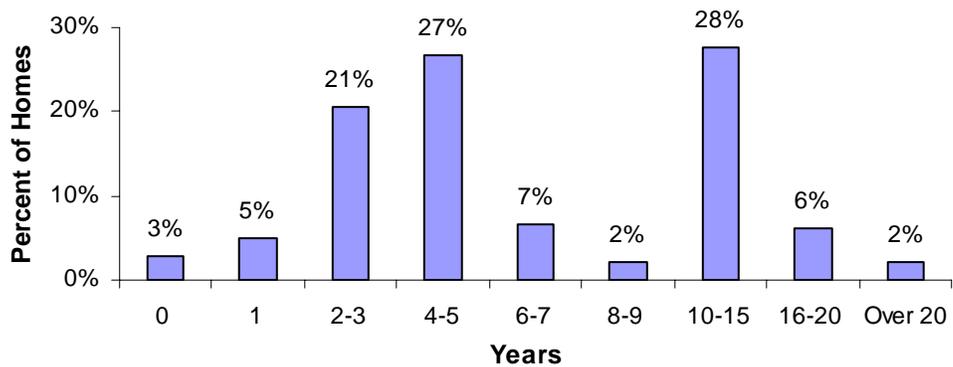
**Figure 23. Years in Business: Homes and Centers, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Surveys of Child Care Centers and Family Homes

More than 90 percent family home providers planned to operate their child care business for at least two more years (see Figure 24). Forty-five percent of family home providers expected to be in business for more than five more years.

**Figure 24. Years Plan to Operate Child Care at Home, 2002**

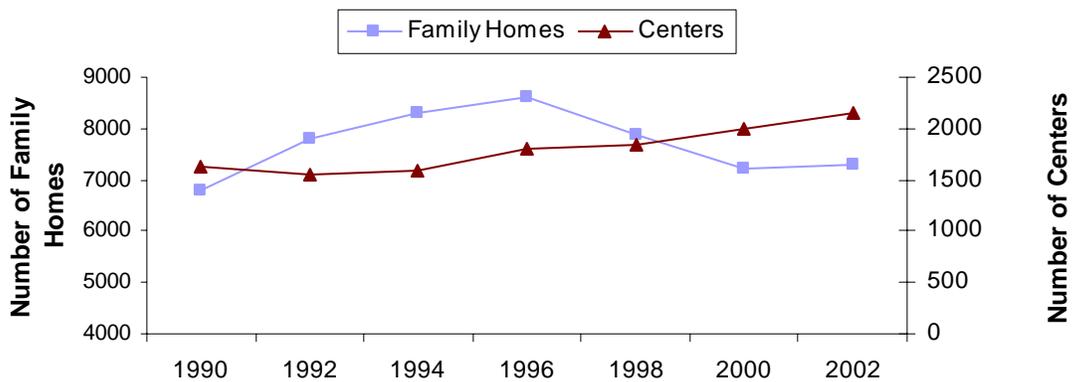


Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

*Growth and Decline in Number of Centers and Family Homes*

The number of centers in Washington State grew almost 32 percent over the twelve years from 1990 to 2002, rising from 1,624 in 1990 to 2,147 in 2002 (see right axis and black line with triangles on Figure 25). The number of family homes, on other hand, grew from 1990 through 1996 and generally has declined since that time (see left axis and gray line with squares in Figure 25). From 2000 to 2002 there was a slight increase in the number of family homes, but the data for 2004 indicate another drop in the number of licensed family home providers (see Table 7 in Chapter 2).

**Figure 25. Number of Centers and Family Homes, 1990-2002**

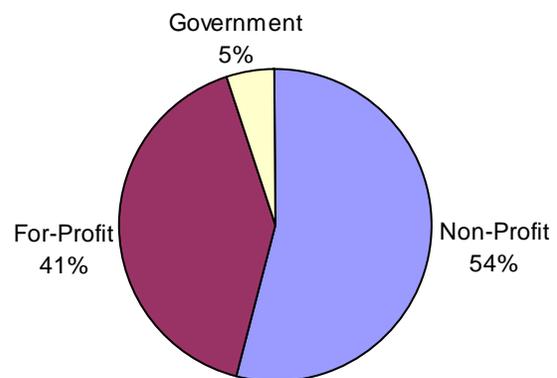


Source: DSHS Division of Child Care and Early Learning 1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Centers and Family Homes

**Types of Centers**

Providers identified their centers as either government operated, non-profit, or private for-profit (Figure 26). Fifty-four percent of all child care centers were non-profit organizations, forty-one percent were private for-profit businesses, and the remaining five percent were government-run centers. Most government centers were Tribal centers or were located at schools or other public buildings. The proportion of centers in each of these categories has remained fairly stable since 1992.

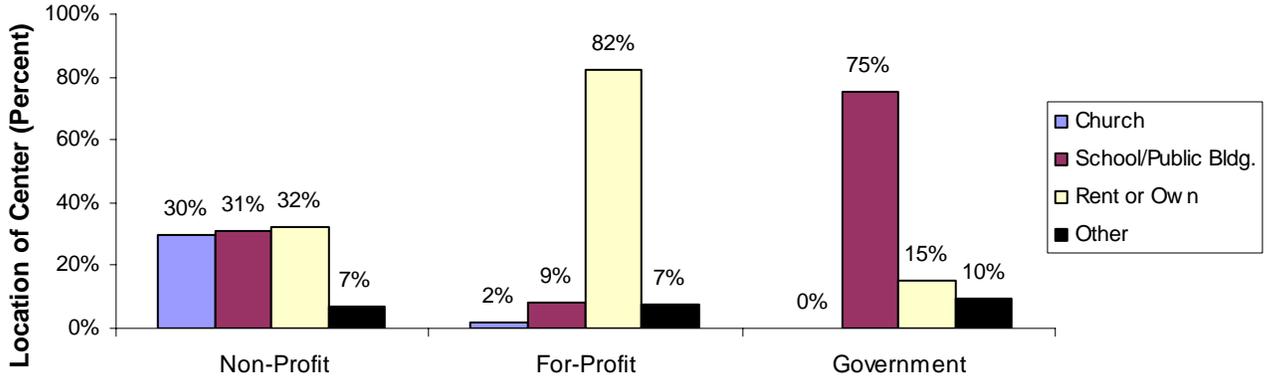
**Figure 26. Types of Child Care Centers**



Source: DSHS Division of Child Care and Early Learning 2002 Survey of Child Care Centers

Centers of different types tended to be located in different types of buildings. Most government centers (75 percent) were located in schools and other public buildings. On the other hand, most for-profit centers were located in private buildings that they rent or own. Most of the centers in churches were non-profits, and 31 percent of non-profit centers were located in schools and other public buildings.

Figure 27. Type of Center and Physical Location, 2002



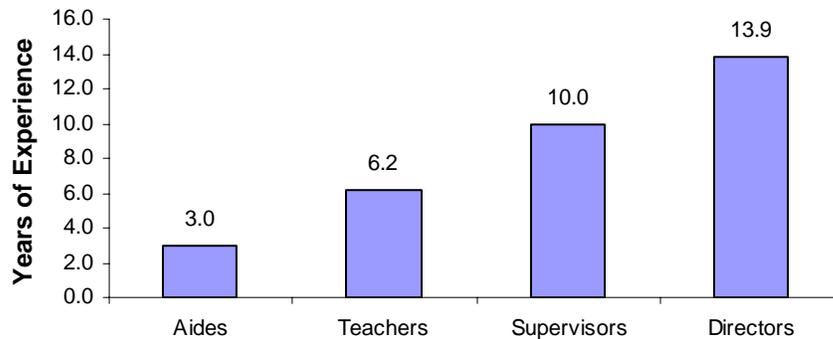
Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

### Staff Experience and Education

#### *Years of Experience: Center Staff*

Respondents at centers described the paid child care experience of their staff: aides, teachers, program supervisors, and directors. The experience of these workers in paid child care ranged from less than a year to forty-six years. Experience varied with the type of position. Aides had the least average amount of experience, 3.0 years, while directors averaged 13.9 years. Figure 28 shows the average number of years in paid child care employment for each position.

Figure 28. Average Number of Years of Paid Child Care Experience for Center Staff, 2002



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

*Paid and Non-Paid Staff at Centers*

All centers employed paid staff. Statewide, centers averaged 10 paid employees. About one-third of all paid center employees were aides, and an additional 47 percent were teachers. Many centers got additional help from volunteers.

As shown in Table 16, the proportion of staff that was teachers and the proportion of centers that used volunteers varied by type of center. For-profit centers had a higher proportion of teachers and a lower proportion of aides on their staff than did either non-profit or government centers. For-profit centers also were the least likely to have volunteers (19 percent), compared to 40 percent of non-profit centers and 53 percent of government-run centers. The number of volunteers also varied by type of center. Among centers with at least one volunteer, for-profit centers averaged 2.0 volunteers, non-profits 4.4, and government-operated centers averaged 5.5 volunteers.

**Table 16. Staff Composition by Type of Center, 2002**

Type of Center	Percent of Paid Staff Supervisors and Directors			Using Volunteers	Number of Volunteers*
	Aides	Teachers	Directors		
For-Profit	30.7%	53.1%	16.2%	19%	2.0
Non-Profit	40.6%	42.6%	16.8%	40%	4.4
Government	56.0%	26.4%	17.6%	53%	5.5
All Centers	36.9%	46.6%	16.6%	32%	3.9

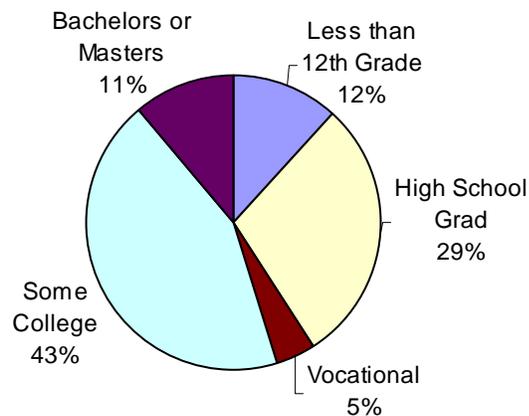
\*Only calculated for centers using volunteers

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

*Family Home Providers' Education and Training*

According to the 2002 survey, most licensed family home child care providers had completed high school (88 percent). Forty-eight percent of family home providers had earned some college credit or had some vocational training beyond high school, and an additional eleven percent had a bachelors or more advanced degree (Figure 29).

**Figure 29. Family Home Providers' Highest Level of Education, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

**Salaries and Benefits for Child Care Workers**

*Wages at Centers*

The average wages or salaries of center staff—aides, teachers, supervisors, and directors—are shown in Table 17. Directors earned \$2,298 per month on average. Of the remaining staff, supervisors earned the most, followed by teachers, and then by aides. For all categories of employees, the wages paid in Region 4 (King County) were higher than those paid in other regions.

**Table 17. Average Wages in Child Care Centers by Region, 2002**

Region	Number of Centers	Aides	Teachers	Supervisors	Directors
1	339	\$7.69	\$8.87	\$11.06	\$2,027
2	181	\$7.47	\$8.61	\$11.55	\$2,232
3	306	\$8.01	\$9.85	\$12.71	\$2,209
4	659	\$8.75	\$10.75	\$13.35	\$2,628
5	332	\$7.90	\$8.95	\$11.32	\$2,153
6	330	\$7.70	\$8.81	\$10.86	\$2,151
<b>Statewide</b>	<b>2,147</b>	<b>\$8.07</b>	<b>\$9.69</b>	<b>\$12.11</b>	<b>\$2,298</b>

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

Wages paid to aides, teachers, and supervisors varied by the type of center ownership—non-profit, government-run, or for-profit private. Wages paid at these three types of centers are shown in Table 18.

**Table 18. Average Wages in Child Care Centers by Center Type, 2002**

Type	Number of Centers	Aides	Teachers	Supervisors	Directors
Government Center	109	\$8.58	\$12.40	\$14.94	\$3,449
Non-profit Center	1164	\$8.16	\$10.06	\$12.27	\$2,371
For-profit Center	874	\$7.84	\$9.18	\$11.40	\$2,108
<b>Statewide</b>	<b>2,147</b>	<b>\$8.07</b>	<b>\$9.69</b>	<b>\$12.11</b>	<b>\$2,298</b>

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

*Wages in Family Homes*

Most family homes are one-person operations, but about 18 percent of homes employed at least one paid assistant at the time of the 2002 survey. These assistants worked an average of 32 hours per week. Their average hourly wage was \$7.62, less than the average wage of \$8.07 earned by aides in centers (compare Tables 17 and 19). For information on wage trends for assistants in family homes, see the section on wage trends in family homes later in this chapter (Figure 31).

**Table 19. Assistants' Wages in Licensed Homes, 2002**

<b>Region</b>	<b>Total Homes</b>	<b>Homes with Paid Assistants</b>	<b>Average Wages</b>
1	1,254	177	\$6.71
2	1,253	182	\$7.20
3	1,140	207	\$7.63
4	1,571	322	\$8.47
5	956	237	\$7.31
6	1,135	183	\$7.69
<b>Statewide</b>	<b>7,309</b>	<b>1,309</b>	<b>\$7.62</b>

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

*Income of Family Home Providers*

Half of the family homes surveyed reported \$24,000 or more in gross income from their child care business for 2001 (average gross income was \$27,100). Annual earnings by region are shown in Table 20. The gross revenues for family home providers in King County (Region 4) were higher than those in all other Regions. Family home providers in Region 1 on average earned the least. (The net income of family home providers is what remains of their gross income after the cost of operation, but not enough information was collected to estimate operation costs and the net income of family home providers.)

**Table 20. Average Gross Annual Earnings of Family Home Providers, 2001**

<b>Region</b>	<b>Average Earnings</b>
1	\$20,469
2	\$26,001
3	\$26,997
4	\$33,834
5	\$27,323
6	\$26,592
<b>Statewide</b>	<b>\$27,100</b>

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

The earnings of family home providers are related to other factors besides geography. For about 43 percent of family home providers, child care earnings were their households' primary source of income. As shown in Table 21 the income of family home providers for whom child care was their primary source of income was considerably higher than that for other family home providers. In addition, the income of family home providers was related to the number of years that they had been in business.

Table 21. Factors Associated with Average Earnings of Family Home Providers, 2002

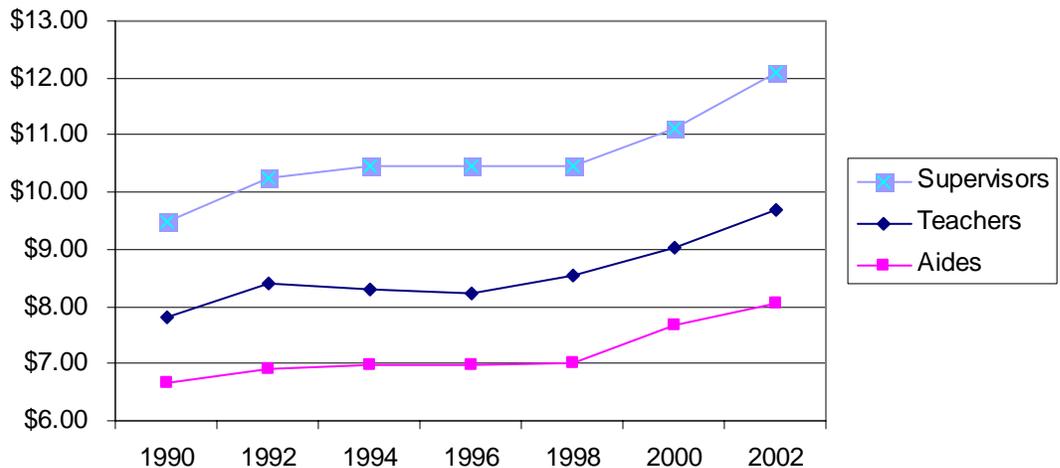
<b>Average Earnings</b>	
<b>Years in Business</b>	
0-3 years	\$19,798
4-6 years	\$28,000
7+ years	\$31,850
<b>Child Care Main Source of Income</b>	
Yes	\$32,704
No	\$22,468

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

*Wage Trends in Centers*

Child care workers receive relatively low wages: center aides, teachers, and supervisors averaged \$8.07, \$9.69, and \$12.11 per hour in 2002. As shown in Figure 30 average real wages for child care workers—wages adjusted to account for changes in the consumer price index—stalled between 1992 and 1998. Child care wages have risen since 1998, perhaps spurred by the yearly increases in the minimum wage. The average wage for teachers rose 3.2 percent per year between 1998 and 2002 (adjusted for inflation) and the inflation adjusted average wage for aides rose 3.6 percent per year during the same period.

Figure 30. Changes in Child Care Wages from 1990 to 2002  
Adjusted to 2002 Dollars

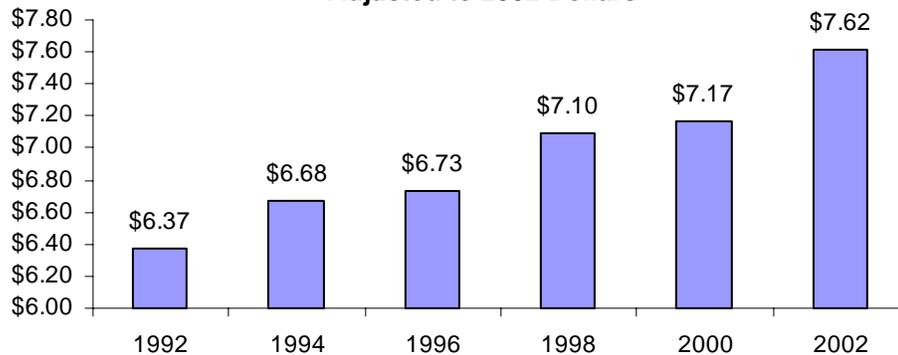


Source: DSHS Division of Child Care and Early Learning  
1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers

*Wage Trends in Family Homes*

The wages of assistants in family homes show a somewhat different trend than those for wages of child care workers in centers with a general upward trend for the past ten years. Between 1992 and 2002 the wages paid assistants in family homes (in constant dollars) rose from \$6.37 to \$7.62, a rise of 1.8 percent per year in real wages (see Figure 31).

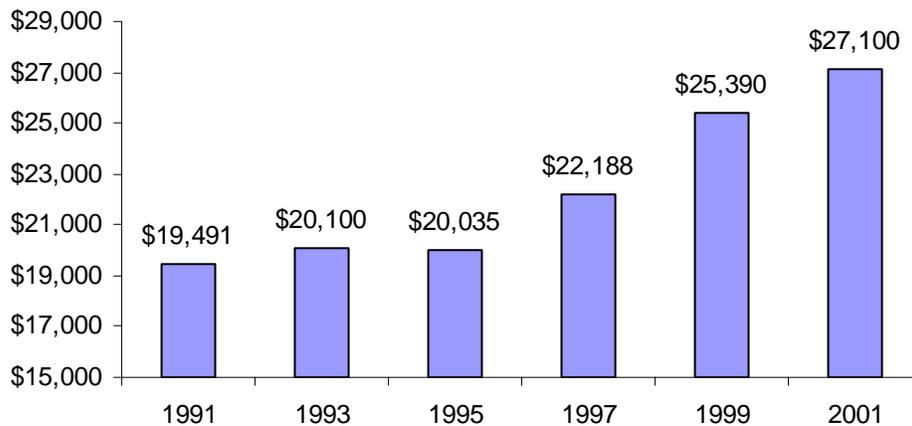
**Figure 31. Average Wage Paid Assistants in Family Homes from 1992 to 2002 Adjusted to 2002 Dollars**



Source: DSHS Division of Child Care and Early Learning 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Family Homes

The average yearly income of family home providers rose from \$17,200 in 1995 to \$27,100 in 2001, an increase of 7.9 percent per year for those six years. Taking inflation into account, the average gross income of family home providers rose 35 percent from \$20,035 in 1995 to \$27,100 in 2001. That translates into an annual rate of increase (adjusting for inflation) of 5.2 percent. In light of the large decline in the number of family homes in business in the same period, it may be the case that less profitable family homes are leaving the child care business.

**Figure 32. Average Gross Earnings in Family Homes from 1991 to 2001 Adjusted to 2001 Dollars**



Source: DSHS Division of Child Care and Early Learning 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Family Homes

*Employee Benefits for Teachers in Centers*

Prior to the 2002 survey, centers were asked if they provided benefits to any employees. Interviewer notes indicated that many centers only provided those benefits to the director or site supervisor. In the 2002 survey, centers were asked if they provided benefits to any *teachers*, thereby excluding centers only providing benefits to directors and site supervisors. While this change makes it difficult to track changes over time, it makes Washington data more useful in national efforts to track benefits for child care workers.

Statewide, 74 percent of centers provided some non-wage benefits to teachers in 2002. The overall decline in the proportion of centers providing benefits from 81 percent in 2000 to 74 percent in 2002 is assumed to be due to the changed wording of the question. The percentages of centers providing benefits—sick leave, vacation, or health insurance—are shown in Table 22. Centers in Region 4 were the most likely to offer benefits.

**Table 22. Centers Providing Benefits to Teachers by Benefit Type and Region, 2002**

Region	Total Number of Centers	Any Benefit	Paid Sick Leave	Paid Vacation	Medical Insurance
1	339	63%	48%	55%	41%
2	181	59%	37%	55%	43%
3	306	73%	57%	68%	51%
4	659	87%	71%	80%	68%
5	332	80%	61%	70%	51%
6	330	66%	51%	57%	47%
<b>Statewide</b>	<b>2,147</b>	<b>74%</b>	<b>58%</b>	<b>67%</b>	<b>53%</b>

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

Table 23 shows how the percentages of centers offering benefits have changed over time. From 1990 to 2000 centers became more likely to provide benefits. The decline between 2000 and 2002 is attributed to the wording change discussed above.

**Table 23. Employee Benefits in Child Care Centers, 1990-2002**

<b>Year</b>	<b>Paid Sick Leave</b>	<b>Paid Vacation</b>	<b>Health Insurance</b>
1990	56%	63%	45%
1992	61%	69%	51%
1994	60%	70%	56%
1996	62%	70%	53%
1998	68%	73%	55%
2000	65%	71%	57%
2002*	58%	67%	53%

\* In 2002 the question was changed to specifically ask about benefits provided to teachers. Prior to that the question asked about benefits to any employees.

Source: DSHS Division of Child Care and Early Learning  
1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers

The level of wages and benefits offered by centers are related. Centers that provided benefits were likely to also pay higher wages. Table 24 shows that wages at centers that provided health insurance were higher than the wages paid by centers that did not provide medical coverage.

**Table 24. Health Insurance, Benefits and Wages in Centers, 2002**

<b>Staff Position</b>	<b>Wages With Health Insurance</b>	<b>Wages Without Health Insurance</b>	<b>Wages With Any Benefits</b>	<b>Wages Without Any Benefits</b>
Aides	\$8.23	\$7.70	\$8.13	\$7.68
Teachers	\$10.13	\$8.80	\$9.81	\$8.81
Supervisors	\$13.00	\$11.01	\$12.51	\$11.06
Directors	\$2,577	\$1,947	\$2,410	\$1,859

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

### **Staff Turnover in Child Care Centers**

Centers were asked on the 2002 survey about staff turnover. This question was first asked in the 2000 survey. For each job category, centers were asked how many individuals had been hired since September 1, 2001 (about 8 months earlier). These numbers will under-estimate turnover, for some staff that were hired after September 1, 2001 will have already left before the time of the survey. Table 25 presents the proportion of staff that had been hired since September 1, 2001 by region. Only centers in business for over one year were included in this analysis.

Not surprisingly, staff turnover was strongly related to position. The proportion of aides newly hired was twice as high as that for teachers. The turnover rates reported on the 2002 were slightly lower than those reported on the 2000 survey (40 percent for aides, 18 percent for teachers, and 12 percent for supervisors).

Table 25. Percent of Staff Newly Hired, 2002

Region	Aides	Teachers	Supervisors
1	42.5%	21.0%	4.0%
2	38.5%	18.1%	7.3%
3	34.5%	17.0%	11.2%
4	31.7%	15.3%	9.8%
5	37.9%	19.7%	9.1%
6	40.2%	14.3%	9.6%
<b>Statewide</b>	<b>36.7%</b>	<b>17.0%</b>	<b>8.9%</b>

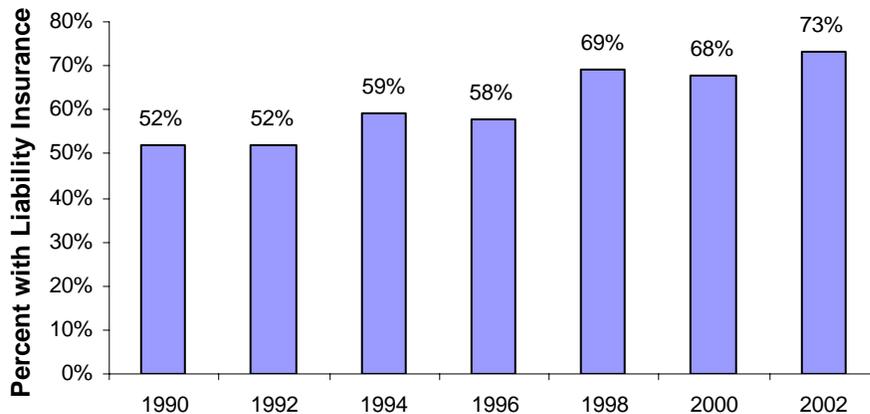
Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

### Business Expenses in Centers and Homes

#### *Liability Insurance in Homes*

Liability insurance is an important issue in operating a child care business. While more than 70 percent of homes reported having liability insurance for their business, a significant proportion did not have liability insurance (see Figure 33).

Figure 33. Percent of Family Homes with Liability Insurance, 1990 to 2002



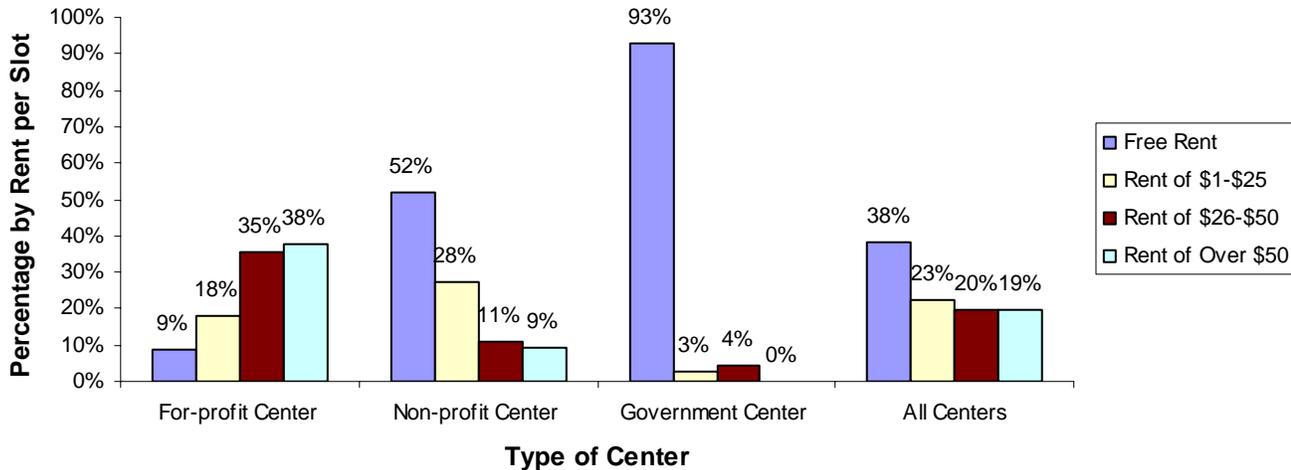
Source: DSHS Division of Child Care and Early Learning  
1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers and Family Homes

#### *Estimated Monthly Cost for Rent in Centers*

The 2002 center survey asked about several specific costs of doing business. Figure 42 displays the monthly cost of rent per slot. Rent costs were strongly related to the type of center, with 93 percent of government centers and 52 percent of non-profit centers paying no rent compared to only 9 percent of for-profit centers. Overall, the percent of centers with free rent increased from 20 percent in 2000 to 38 percent in 2002. On the other extreme, while 38 percent of for-profit centers paid over \$50 per slot in monthly rent, only 9 percent of non-profit centers and no

government centers paid that much. The percent of centers that paid over \$50 per slot declined from 29 percent in 2000 to 19 percent in 2002.

Figure 34. Monthly Rent Per Slot by Type of Center, 2002

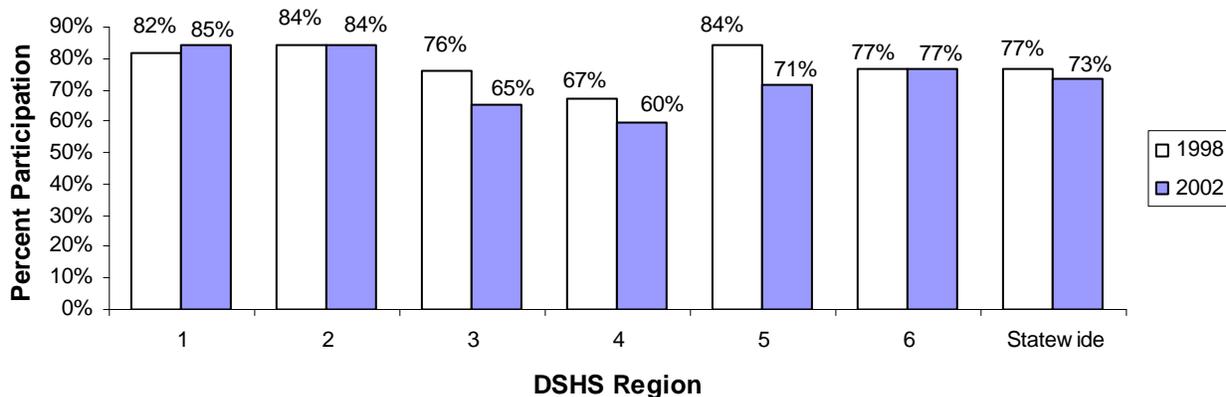


Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

*Participation of Family Homes in USDA Food Program*

The Child and Adult Care Food Program (CACFP) of the Department of Agriculture reimburses participating centers and family homes for their meal costs. The participation of family home providers in the USDA food program was high: over 70 percent of all family homes participated at the time of the 2002 survey. The meal reimbursement rate was changed to a two-tier system in July of 1997. Since that time, family home providers located in low income areas, or whose own households are low-income, have been reimbursed at a higher rate than other providers. It may be that the change to a two-tier system is related to the drop in participation since 1998 in some regions. The statewide participation rate in 2002 was unchanged from that in 2000. Figure 35 shows the percent of family homes participating by DSHS Region.

Figure 35. Participation of Family Homes in USDA Food Program, 1998 and 2002

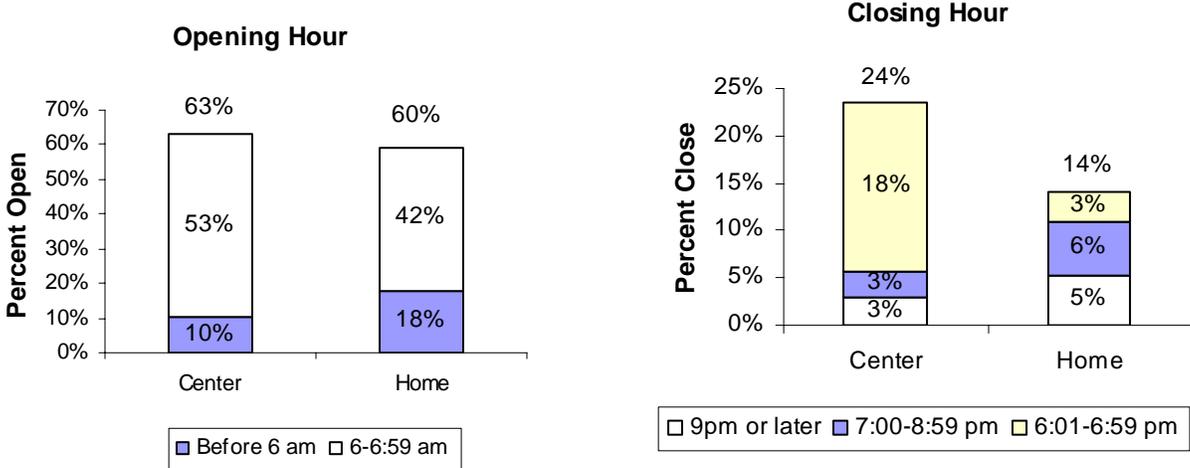


Source: DSHS Division of Child Care and Early Learning  
1998 and 2002 Surveys of Family Home Providers

**Hours of Operation**

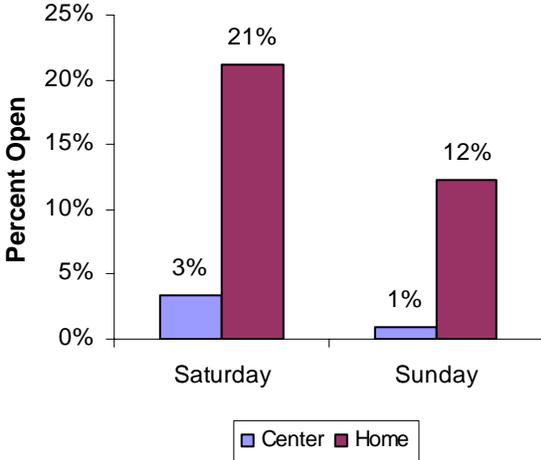
Few licensed child care facilities are open outside of the standard weekday hours, six in the morning to six at night. Only 10 percent of centers and 18 percent of homes opened before six in the morning. Similarly, only 6 percent of centers and 11 percent of homes were still open at seven in the evening. On the weekends only 3 percent of centers and were open while over 20 percent of homes had some weekend hours. Figure 36 shows the weekday opening and closing hours for centers and homes. Figure 37 displays the percent of centers and homes open on Saturday and Sunday.

**Figure 36. Hours of Operation, Monday through Friday, Centers and Homes, 2002**



Source: DSHS Division of Child Care and Early Learning 2002 Survey of Child Care Centers and Family Home Providers

**Figure 37. Licensed Facilities with Weekend Hours, 2002**



Source: DSHS Division of Child Care and Early Learning 2002 Surveys of Child Care Centers and Family Homes



# CHAPTER 5. CHILD CARE RATES

## Market Prices and Subsidy Rates

The biennial child care surveys provide information on the prices charged for child care in Washington State. Many factors influence the prices that providers charge, including:

- Child's age (for example, providers usually charge more for infants than for toddlers or preschool-age children);
- Type of facility (centers tend to charge more than licensed family homes);
- Length of time in care (providers generally charge less per hour for children in full-time care than for those in part-time care); and
- Geographic location (providers in metropolitan areas tend to charge more than providers in rural areas).

The biennial surveys are used to identify the full-time prices charged children in different age categories, facilities, and geographic locations. Based on these market surveys and the state budget authorization, DSHS then determines the percent of the market that it can afford to “buy”.

Federal regulations require Washington State to conduct a market rate survey every two years and to use that survey in evaluating subsidy rates. Prior to welfare reform, Washington State was required to set its subsidy rates at the 75<sup>th</sup> percentile. The percentile has varied since then, depending on available monies. Subsidy rates were at the 58<sup>th</sup> percentile of the 2000 survey at the time that the 2002 survey was conducted.

Washington State attempts to set its subsidy rates and calculate percentiles based on the private pay sector of the child care market. The method for doing this is straightforward for family homes. Each surveyed family home provider is asked about the hours and payment status for each child that they serve and only children in care for 30 or more hours and not subsidized by DSHS are included in the rate setting process and are reported in Table 27. For centers, we lack that level of detail, but we exclude from Table 26 all centers having 85 percent or more of their children subsidized by DSHS.

## Prices According to the 2002 Survey

The monthly prices observed in the 2002 surveys for full-time children are displayed in Tables 26 and 27. The DSHS maximum rates in effect at the time of the survey are also presented. Those rates were based on the 58<sup>th</sup> percentile of the 2000 surveys and went into effect in January 2002. Full-time monthly rates can be converted into daily rates by dividing by 22. Part-time rates are based on these daily rates, with a full-day defined as five or more hours. DSHS maximum rates represent the most that the Department will pay to a provider for a given rate category. DSHS pays providers either their usual and customary rate or the DSHS maximum rate, whichever is less.

Tables 26 and 27 display the observed prices for the 10<sup>th</sup>, 25<sup>th</sup>, 50<sup>th</sup>, 75<sup>th</sup>, and 90<sup>th</sup> percentiles for full-time care in child care centers and licensed family homes. The prices

are calculated for each age category in the six DSHS Regions. Percentiles are the prices at which a specified percentage (5, 10, 25, 50, etc.) of children in the given age/region category receive care at or below the stated price at the time of the 2002 surveys.

It is easiest to explain percentiles by giving examples. The DSHS rate for infants in centers in King County (Region 4) in the spring of 2002 was \$832 per month. That means that, when the 2000 market rate survey was conducted, 58 percent of all full-time infants in center care were charged \$832 or less. (Centers with 85 percent of their children subsidized by DSHS were excluded.) In nearby Pierce and Kitsap Counties (Region 5), on the other hand, at the time of the 2000 survey 58 percent of the infants in center care were charged \$610 or less. The DSHS subsidy rate for center care for an infant is much higher in King than in Pierce County (\$832 versus \$610), but the intent in using a fixed percentile across regions and age categories is to make it about as easy for a family in Pierce County to find a center provider that will accept a DSHS subsidy to care for their child as it is for a family in King County or any other area in the state.

At the time of the 2002 surveys, DSHS maximum subsidy rates were based on the 58<sup>th</sup> percentile of the 2000 survey. But inflation in child care prices in the two years between the surveys had effectively reduced the percentile of the market that DSHS rates bought to approximately the 36<sup>th</sup> percentile for both centers and family homes (data not presented). For example, the DSHS rate for infants in centers in Region 1 was \$535 per month and the 50<sup>th</sup> percentile for infants in centers in Region 1 at the time of the 2000 survey was \$550. The DSHS rate for infants in Region 1 at the time of the 2002 survey (\$535) was estimated to be the 42<sup>nd</sup> percentile (data not presented). In Region 4, the DSHS rate of \$832 per month for infants at the time of the 2002 survey was close to the 25<sup>th</sup> percentile.

**Table 26. Monthly Full-Time<sup>(1)</sup> Prices in Child Care Centers, 2002**

<b>Infant: Under 12 Months Old</b>						
Percentile <sup>(2)</sup>	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 363	\$ 440	\$ 612	\$ 780	\$ 560	\$ 520
25th	\$ 485	\$ 536	\$ 665	\$ 830	\$ 595	\$ 573
50th	\$ 550	\$ 560	\$ 758	\$ 906	\$ 667	\$ 605
75th	\$ 645	\$ 720	\$ 844	\$ 1,058	\$ 728	\$ 758
90th	\$ 700	\$ 728	\$ 906	\$ 1,271	\$ 762	\$ 872
DSHS Rates at Time of Survey <sup>(3)</sup>	\$ 535	\$ 540	\$ 715	\$ 832	\$ 610	\$ 600

<b>Toddler: 12 to 29 Months Old</b>						
Percentile <sup>(2)</sup>	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 396	\$ 440	\$ 500	\$ 635	\$ 470	\$ 450
25th	\$ 450	\$ 451	\$ 574	\$ 680	\$ 520	\$ 506
50th	\$ 495	\$ 484	\$ 631	\$ 753	\$ 560	\$ 550
75th	\$ 550	\$ 584	\$ 704	\$ 850	\$ 628	\$ 680
90th	\$ 625	\$ 636	\$ 765	\$ 1,066	\$ 676	\$ 748
DSHS Rates at Time of Survey <sup>(3)</sup>	\$ 450	\$ 451	\$ 596	\$ 695	\$ 525	\$ 515

<b>Preschooler: 30 to 59 Months Old</b>						
Percentile <sup>(2)</sup>	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 378	\$ 385	\$ 445	\$ 540	\$ 420	\$ 390
25th	\$ 400	\$ 410	\$ 520	\$ 580	\$ 462	\$ 440
50th	\$ 440	\$ 440	\$ 550	\$ 632	\$ 500	\$ 500
75th	\$ 487	\$ 465	\$ 624	\$ 747	\$ 539	\$ 560
90th	\$ 546	\$ 544	\$ 688	\$ 915	\$ 585	\$ 648
DSHS Rates at Time of Survey <sup>(3)</sup>	\$ 425	\$ 418	\$ 515	\$ 583	\$ 462	\$ 450

<b>School-age: Five Years and Older</b>						
Percentile <sup>(2)</sup>	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 300	\$ 275	\$ 323	\$ 350	\$ 314	\$ 342
25th	\$ 351	\$ 308	\$ 387	\$ 425	\$ 376	\$ 400
50th	\$ 415	\$ 370	\$ 463	\$ 524	\$ 420	\$ 465
75th	\$ 446	\$ 470	\$ 540	\$ 600	\$ 466	\$ 536
90th	\$ 475	\$ 528	\$ 624	\$ 695	\$ 537	\$ 595
DSHS Rates at Time of Survey <sup>(3)</sup>	\$ 400	\$ 370	\$ 500	\$ 525	\$ 410	\$ 440

(1) Full-time prices are for thirty or more hours per week. For daily prices, divide by 22. Centers with 85 percent or more of their children subsidized by DSHS are excluded.

(2) Percentile: the percent of children in child centers at or below the price shown for that age category and Region.

(3) DSHS Rates at Time of Survey: DSHS rates that went into effect January 2002 and were in effect at the time of the 2002 Child Care Survey. They are based on the 58<sup>th</sup> percentile of the 2000 Survey of Child Care Centers, with no decreases from previous rates.

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

**Table 27. Monthly Full-Time<sup>(1)</sup> Prices for Private Pay Children in Licensed Homes, 2002**

<b>Infant: Under 12 Months Old</b>						
Percentile <sup>(2)</sup>	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 374	\$ 374	\$ 528	\$ 605	\$ 440	\$ 506
25th	\$ 418	\$ 396	\$ 616	\$ 660	\$ 484	\$ 550
50th	\$ 440	\$ 440	\$ 660	\$ 819	\$ 572	\$ 550
75th	\$ 468	\$ 466	\$ 726	\$ 935	\$ 660	\$ 660
90th	\$ 550	\$ 550	\$ 825	\$ 1,215	\$ 770	\$ 660
DSHS Rates at Time of Survey <sup>(3)</sup>	\$ 440	\$ 440	\$ 638	\$ 660	\$ 484	\$ 484

<b>Toddler: 12 to 29 Months Old</b>						
Percentile <sup>(2)</sup>	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 330	\$ 330	\$ 462	\$ 550	\$ 396	\$ 418
25th	\$ 396	\$ 374	\$ 541	\$ 614	\$ 440	\$ 440
50th	\$ 440	\$ 418	\$ 550	\$ 660	\$ 550	\$ 523
75th	\$ 440	\$ 462	\$ 660	\$ 819	\$ 550	\$ 550
90th	\$ 576	\$ 550	\$ 770	\$ 963	\$ 880	\$ 616
DSHS Rates at Time of Survey <sup>(3)</sup>	\$ 396	\$ 418	\$ 550	\$ 653	\$ 440	\$ 440

<b>Preschooler: 30 to 59 Months Old</b>						
Percentile <sup>(2)</sup>	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 330	\$ 352	\$ 440	\$ 506	\$ 396	\$ 365
25th	\$ 374	\$ 374	\$ 484	\$ 550	\$ 440	\$ 413
50th	\$ 396	\$ 396	\$ 550	\$ 616	\$ 460	\$ 462
75th	\$ 440	\$ 440	\$ 550	\$ 688	\$ 550	\$ 528
90th	\$ 526	\$ 468	\$ 660	\$ 819	\$ 616	\$ 550
DSHS Rates at Time of Survey <sup>(3)</sup>	\$ 396	\$ 374	\$ 484	\$ 550	\$ 418	\$ 440

<b>School-age: Five Years and Older</b>						
Percentile <sup>(2)</sup>	Region-1	Region-2	Region-3	Region-4	Region-5	Region-6
10th	\$ 330	\$ 330	\$ 440	\$ 405	\$ 286	\$ 330
25th	\$ 374	\$ 352	\$ 440	\$ 484	\$ 374	\$ 385
50th	\$ 396	\$ 418	\$ 550	\$ 572	\$ 440	\$ 440
75th	\$ 440	\$ 440	\$ 550	\$ 625	\$ 484	\$ 512
90th	\$ 440	\$ 484	\$ 616	\$ 762	\$ 550	\$ 550
DSHS Rates at Time of Survey <sup>(3)</sup>	\$ 352	\$ 374	\$ 440	\$ 528	\$ 374	\$ 418

(1) Full-time prices are for thirty or more hours per week. For daily prices, divide by 22. Only prices for private pay children are included in this table.

(2) Percentile: the percent of children in licensed family homes at or below the prices shown for that age category and Region.

(3) DSHS Rates at Time of Survey: DSHS rates that went into effect January 2002 and were in effect at the time of the 2002 Child Care Survey. They are based on the 58<sup>th</sup> percentile of the 2000 Survey of Child Care Centers, with no decreases from previous rates.

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Home Providers

### **Regional Re-assignments**

Subsidy rates are set for four age groups (infants, toddlers, preschoolers, and school-age children) and two types of providers (centers and licensed family homes) in each of six DSHS Regions. The use of a uniform percentile across the state is designed to ensure that parents throughout the state will have equal access to providers regardless of where they live, the ages of their children, and the type of care that they choose to use.

Prior to December 1995, DSHS developed rate clusters using the child care survey data. Counties were placed into clusters based on the amount that they charged for child care. Those rate clusters proved to be unstable, needing re-definition with each survey. The six DSHS Administrative Regions, therefore, were selected as the geographical basis for setting child care rates. The DSHS Regions are stable, well recognized, and permit reasonable estimates of local market prices.

Some DSHS Regions cover large geographical areas and in the latest round of rate-setting the percent of slots that the DSHS rate would buy was examined by county. Center and home providers were evaluated separately. Any county where the DSHS rate was inadequate to provide access to half the slots for three or more age categories was identified as needing re-assignment to a different rate category. Four counties—Benton, Clark, Walla Walla and Whitman—met that criterion for center providers. Centers in Benton, Walla Walla and Whitman Counties were assigned Region 6 rates; centers in Clark County were assigned Region 3 rates.

### **Child Care Price Increases**

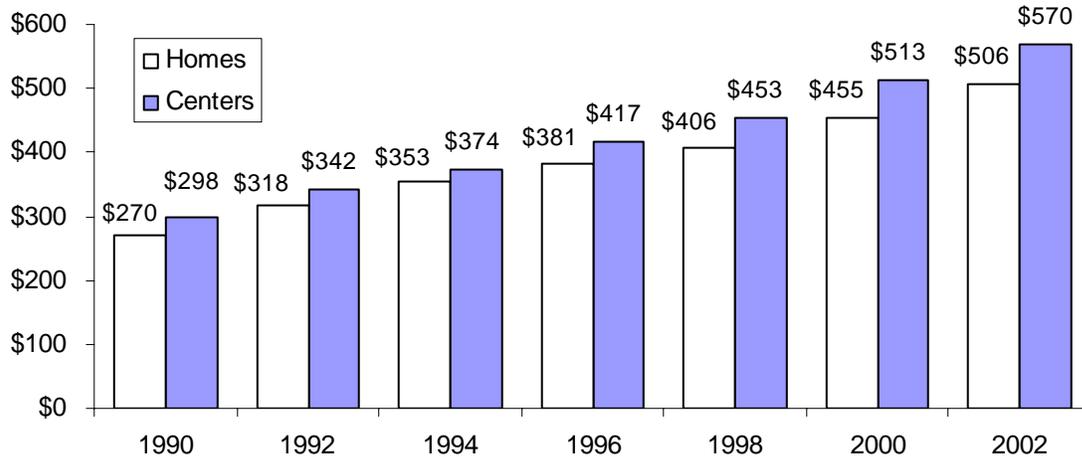
This section examines how the price of child care has changed over the twelve years 1990 to 2002. Only children in full-time care are included, and the comparison assumes that the mix of ages of children has remained stable over time.

Figure 38 shows the monthly average prices for full-time care for children of all ages in child care centers and licensed family homes as estimated from the 1990 through 2002 child care surveys. From 1990 to 2002, the statewide average monthly price paid for full-time care in child care centers increased 91 percent from \$298 to \$570. For full-time care in licensed family homes the average monthly price increased 87 percent from \$270 to \$506.

About half of this price increase is due to inflation and does not represent a “real” increase in the cost of child care. While the price of child care centers increased 91 percent from 1990 to 2002, inflation as measured by the US Consumer Price Index rose 38 percent during that same time period. Figure 39 shows average prices for full-time licensed child care from 1990 to 2002 after adjusting for inflation. Over the period 1990 to 2002, the inflation-adjusted cost of care increased 39 percent in centers and 36 percent in homes. That amounts to an annual rise in the price of care—after adjusting for inflation—of 2.8 percent in centers and 2.6 percent in homes.

Just in the two years 2000 to 2002, the real price of full-time care in centers went up six percent (from \$536 to \$570) and that of family home care climbed by seven percent (from \$475 to \$506). That amounts to an annual rise in the price of care—after accounting for overall inflation—of 3.1 percent in centers and 3.2 percent in homes. (Not adjusting for inflation, the annual rise in the price of child care between 2000 and 2002 was 5.4 percent in centers and 5.5 percent in homes.)

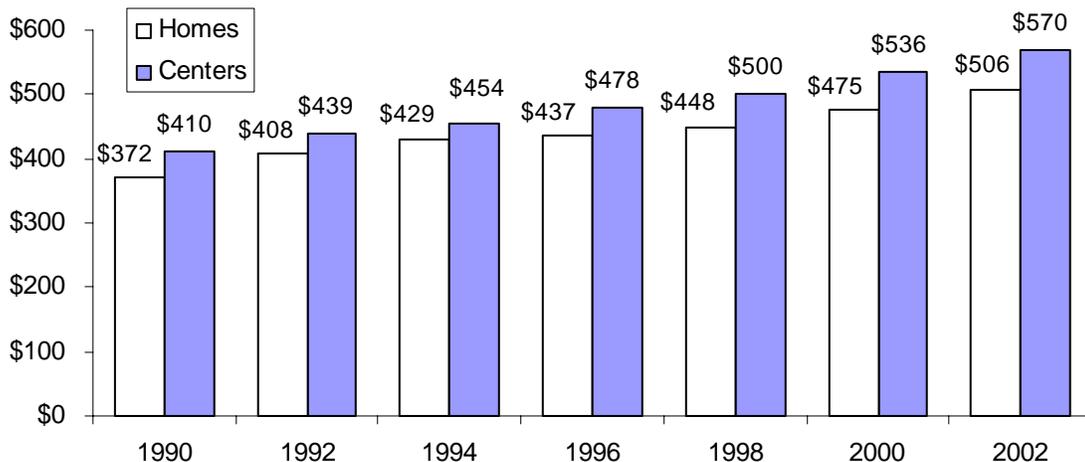
**Figure 38. Nominal Average Monthly Prices\* for All Children in Full-Time Licensed Child Care: 1990-2002**



\*Child weighted averages for full-time care.

Source: DSHS Division of Child Care and Early Learning 1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers and Family Homes

**Figure 39. Average Monthly Prices\* for All Children in Full-Time Licensed Child Care: 1990-2002, Adjusted for Inflation**

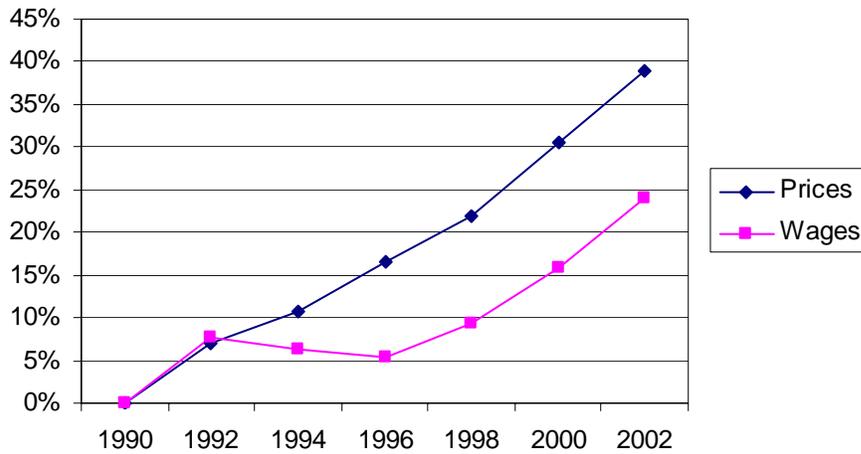


\*Child weighted averages for full-time care.

Source: DSHS Division of Child Care and Early Learning 1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers and Family Homes

Average child care prices charged by centers have increased 39 percent since 1990, adjusted for inflation. During the same period, the average real wages for teachers in centers increased by 24 percent. Figure 40 displays the percentage increase in full-time prices and teachers' wages from 1990 to 2002. Although wages and associated taxes and benefits constitute a major portion of center costs, the rise in teachers' wages in those twelve years has been much less than the rise in child care prices. Since 1996, however, wages have been tracking closely with the rise in child care prices.

**Figure 40. Percent Increase in Center Child Care Prices and Teachers' Wages, 1990 to 2002 (Adjusted for Inflation, with 1990 as Base Year)**



Source: DSHS Division of Child Care and Early Learning 1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers



## CHAPTER 6. DSHS-SUBSIDIZED CHILDREN

### Where Subsidized Children Received Care

An estimated 78,000 children per month received subsidized care in 2002 (Social Service Payment System, unpublished). Over the course of federal fiscal year 2002 child care was subsidized for 136,400 children (Federal Report ACF-800), almost twice the monthly number of children. Children received subsidized care in a variety of ways, either in licensed centers and family homes, or from unregulated but legal providers.

The surveys of child care centers and homes were conducted mostly in April and May of 2002. According to DSHS payment records, about 78,600 children received subsidized care in each of those months. Approximately 30 percent received care in an unregulated setting, namely in a child's home or at the home of a relative. The remaining 70 percent, or about 55,300 children, received care in a licensed care setting (child care centers or licensed family homes).

Using data from the 2002 surveys of child care centers and licensed family homes, we estimated that 53,420 children received subsidized child care in either a licensed family home or child care center at the time of the survey. This is slightly lower than the estimate using DSHS payment data. The discrepancy likely derives both from sampling error and because providers were restricted to describing enrollment for a single week.

At the time of the 2002 surveys, almost one third of all children in licensed care were subsidized by DSHS. Licensed family home providers cared for 18,270 DSHS-subsidized children, representing 38 percent of all children in licensed family home child care. Child care centers cared for about 35,150 DSHS-subsidized children, 29 percent of all children in centers. DSHS children were widely spread over 87 percent of centers and 66 percent of family homes (see Table 28). At the time of the 2000 surveys, 84 percent of centers and 58 percent of homes served DSHS-subsidized children.

**Table 28. DSHS Children in Centers and Family Homes, 2002**

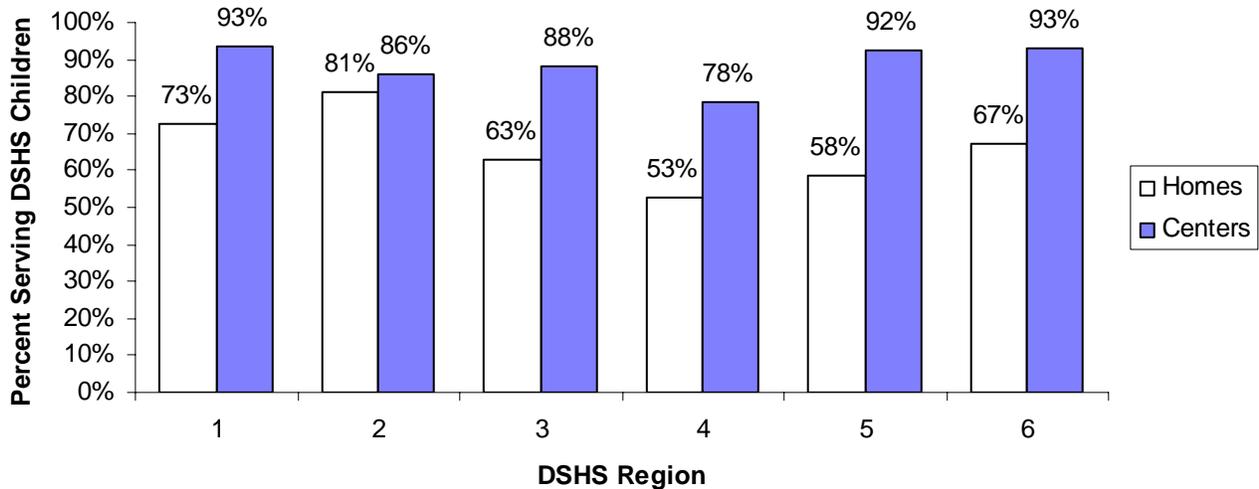
<u>DSHS Children</u>	<u>Centers</u>	<u>Family Homes</u>	<u>All Licensed Facilities</u>
Estimated Total	35,150	18,270	53,420
As Percent of All Children	29%	38%	32%
<b><u>Number of Facilities</u></b>			
With DSHS Children	1,873	4,792	6,665
As Percent of All Facilities	87%	66%	70%

Source: DSHS Division of Child Care and Early Learning  
2002 Surveys of Child Care Centers and Family Homes

*Regional Variation*

The proportion of licensed facilities that served DSHS-subsidized children varied across the state (Figure 41). The proportion of centers that served subsidized children was lower in Region 4 than in other regions. Family home providers were less likely than centers to care for subsidized children. Statewide, 66 percent of family home providers cared for subsidized children, compared to 87 percent of centers (Table 28).

**Figure 41. Facilities Serving DSHS-Subsidized Children, 2002**

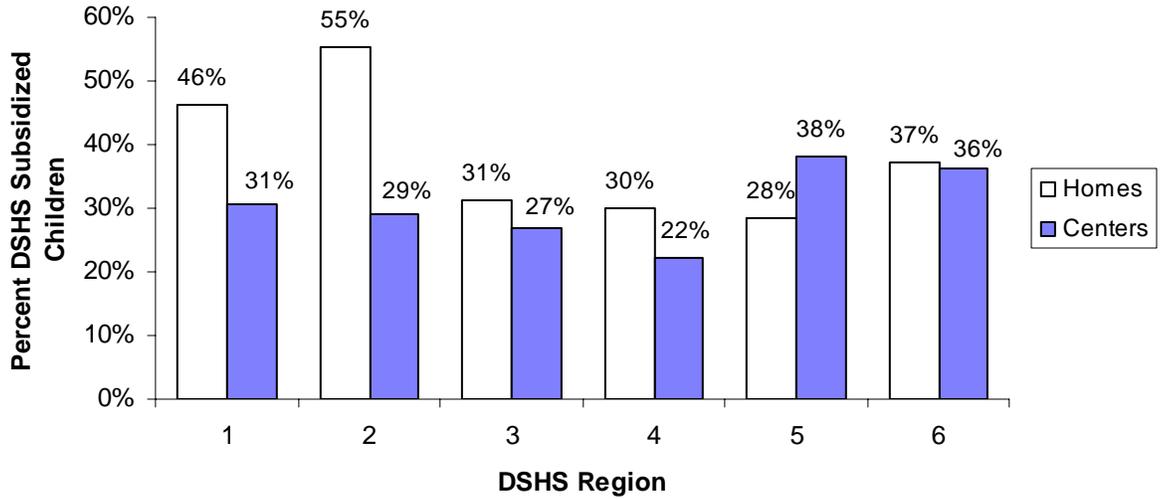


Source: DSHS Division of Child Care and Early Learning  
2002 Surveys of Child Care Centers and Family Homes

Much of the difference between the proportion of centers and homes that served DSHS-subsidized children is attributable to the smaller size of family homes. As Figure 42 shows, except for Region 5, the proportion of children in family homes that were subsidized by DSHS was higher than the proportion in centers that were subsidized. Since family homes serve less than seven children on average, a smaller percentage of family homes served subsidized children than the much larger child care centers with an average capacity of about sixty children.

Figure 42 displays the proportion of the licensed child care population subsidized by DSHS by region and by type of provider. In Regions 1 and 2, subsidized children represented about 50 percent of all children in licensed family homes, a substantial increase from 1996 when 20 percent of children in licensed family homes in Region 1 and 17 percent in Region 2 were subsidized by DSHS.

**Figure 42. DSHS-Subsidized Children as Percent of All Children in Licensed Facilities, 2002**

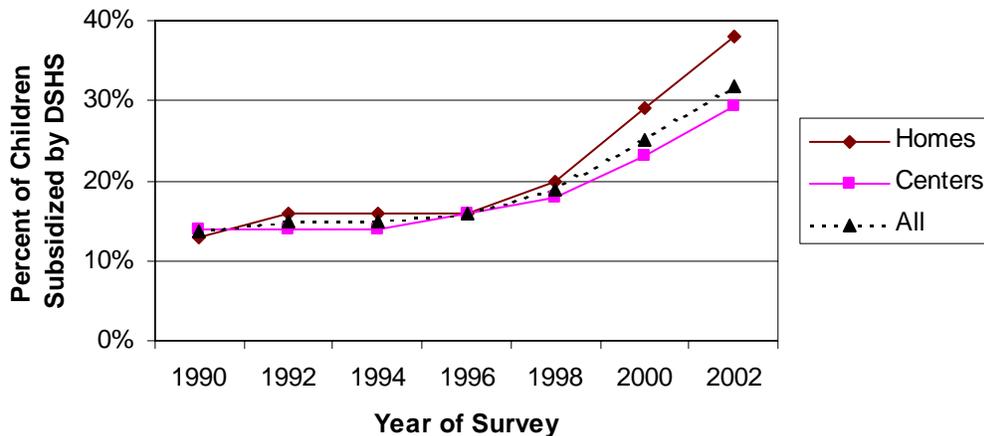


Source: DSHS Division of Child Care and Early Learning  
2002 Surveys of Child Care Centers and Family Homes

**Rise in Use of Subsidized Care**

The proportion of children in licensed care whose care is subsidized by DSHS has risen dramatically since 1998. After remaining at about 15 percent from 1990 through 1996, the proportion of children in licensed care subsidized by DSHS rose to 19 percent in 1998, 25 percent in 2000 and 32 percent in 2002. At the time of the 2002 surveys almost one out of every three children in licensed care had their child care costs subsidized by DSHS.

**Figure 43. DSHS-Subsidized Children as Percent of All Children in Licensed Facilities, 1990- 2002**

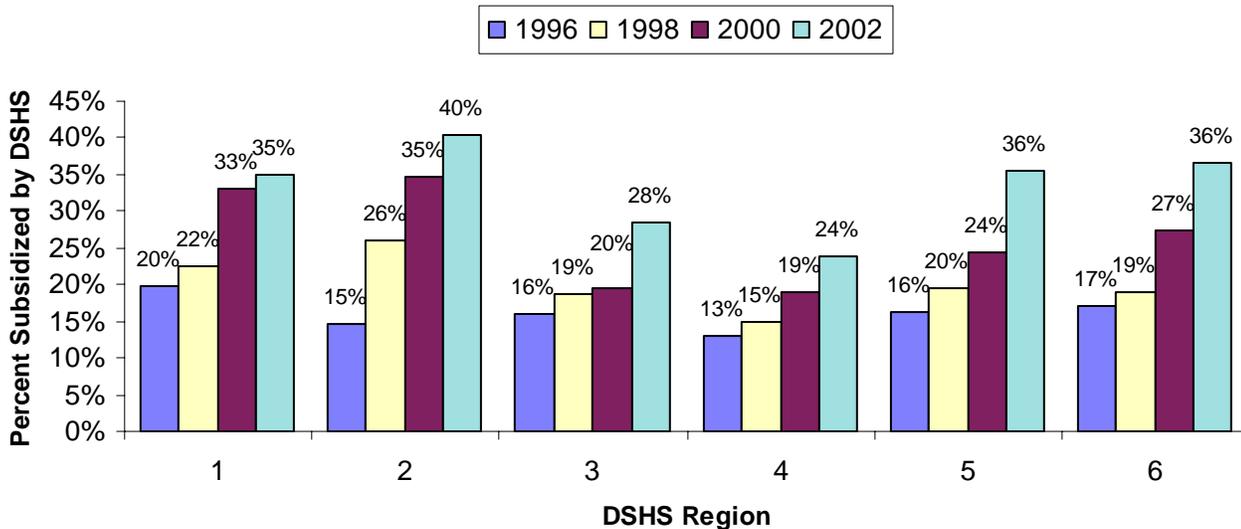


Source: DSHS Division of Child Care and Early Learning  
1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Child Care Centers and Family Homes

Figure 44 displays the proportion of children subsidized by DSHS Region. Since 1998 all DSHS Regions have experienced a rise in the proportion of children in child care that had their care subsidized by DSHS. The percent of children subsidized by DSHS rose 9 percentage points in

Regions 3 and 4. In the other four regions, the percent of children served by DSHS rose between 13 and 17 percentage points.

**Figure 44. Percent of Children in Licensed Care Subsidized by DSHS By DSHS Region, 1996-2002**



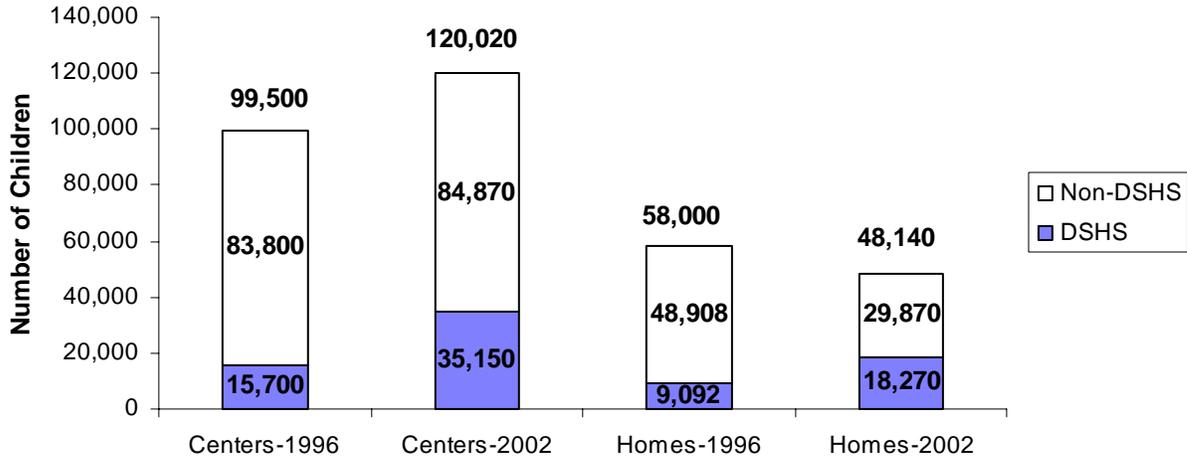
Source: DSHS Division of Child Care and Early Learning  
1996, 1998, 2000 and 2002 Surveys of Child Care Centers and Family Homes

From 1996 to 2002, the number of children in licensed care rose from 157,500 in 1996 to 168,160 in 2002, a rise of seven percent (see Figure 3 on page 11). During those same years, the number of children in licensed care subsidized by DSHS rose from 24,790 to 53,420, a rise of 115 percent. The small rise in the overall number of children in licensed care in combination with the large rise in the number of DSHS subsidized children in licensed care has led to the rise in the proportion of children in licensed care subsidized by DSHS.

Both centers and family homes have experienced a rise in the proportion of children subsidized by DSHS. As shown in Figure 45 on the next page, the number of children in child care centers grew from 99,500 to 120,020 in the six years from 1996 to 2002. The number of DSHS subsidized children in centers rose by 19,450 (from 15,700 to 35,150) and the number of children not subsidized by DSHS rose only 1,070 (from 83,800 to 84,870).

The situation for licensed family homes was quite different. From 1996 to 2002, the total number of children in licensed family homes declined from 58,000 to 48,140. The number of DSHS-subsidized children in licensed family homes doubled, going from 9,092 to 18,270, while the number of non-subsidized children declined 39 percent from 48,908 to 29,870. The decline in the number of non-subsidized children in licensed family homes in combination with a rise in the number of subsidized children attending licensed family homes has resulted in a rise in the proportion of children in licensed family homes that were subsidized by DSHS from 16 to 38 percent.

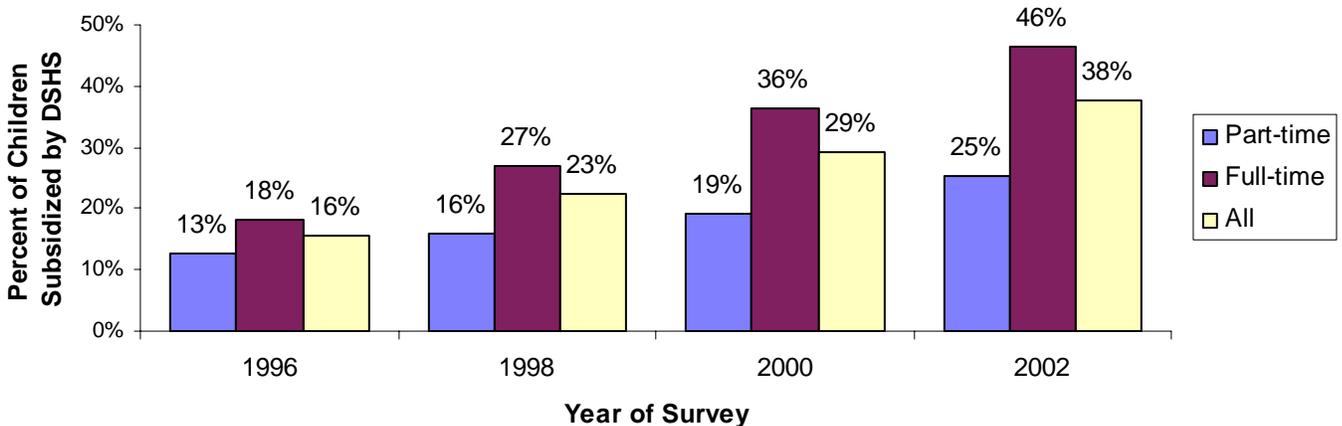
**Figure 45. Number of Subsidized and Non-Subsidized Children in Centers and Licensed Homes, 1996 and 2002**



Source: DSHS Division of Child Care and Early Learning 1996 and 2002 Surveys of Child Care Centers and Family Homes

Figure 46 provides information on the proportion of children in licensed family homes that are subsidized by the amount of time that a child is in care. The rise in the percent of children subsidized by DSHS has been much greater among full-time children than among children in part-time care. The percent of part-time children subsidized by DSHS only rose from 13 percent in 1996 to 25 percent in 2002. Over the same six years, the percent of children in full-time care subsidized by DSHS more than doubled, rising from 18 percent to 46 percent.

**Figure 46. Percent of Full-Time and Part-Time Children Subsidized by DSHS, Children in Licensed Family Homes, 1996-2002**

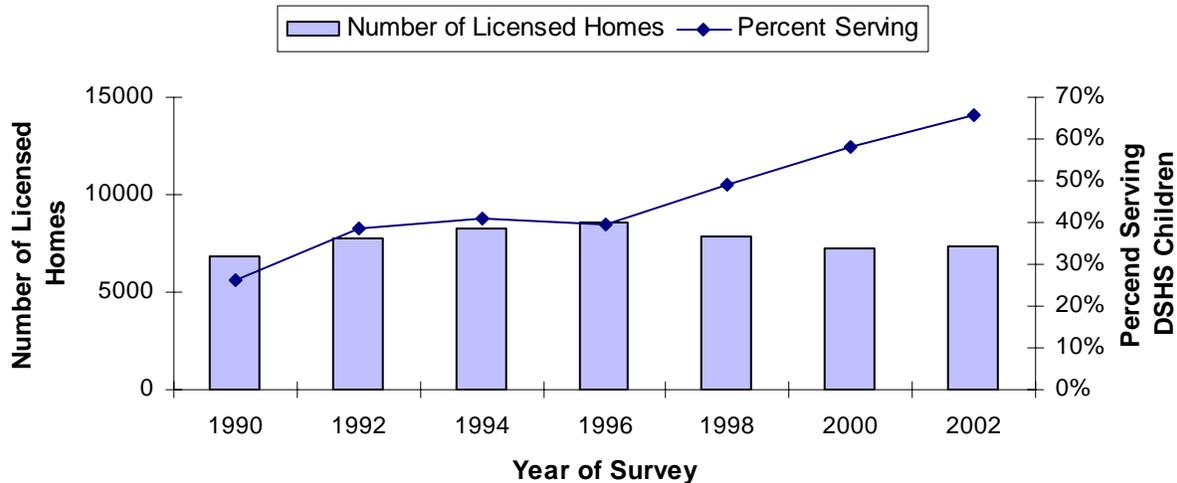


Source: DSHS Division of Child Care and Early Learning 1996, 1998, 2000 and 2002 Surveys of Family Homes

During the same period that the proportion of children in licensed homes that are subsidized grew markedly, the number of licensed family home providers fell from 8,600 in 1996 to 7,309 in 2002. While the number rose slightly between 2000 and 2002, the number of family homes at the start of 2004 was only 6,878 (see Table 7 in Chapter 2). Figure 47 displays the number of

licensed family homes in columns; the line shows the percent of homes serving DSHS-subsidized children. As the number of licensed family homes has declined, those family homes that are licensed are increasingly serving DSHS children.

**Figure 47. Number of Family Homes and Percent Serving DSHS Children, 1990-2002**



Source: DSHS Division of Child Care and Early Learning  
1990, 1992, 1994, 1996, 1998, 2000 and 2002 Surveys of Family Homes

Last, we present information in Table 29 on changes by Region in the number of licensed family homes and the percent serving DSHS children. In 1996, Regions 1 and 2 had the highest proportion of family homes serving DSHS children. Over the next six years, those two Regions experienced the smallest decreases in the number of licensed homes (an increase in the case of Region 2). Regions 3 and 4, on the other hand, had the lowest proportion serving DSHS children in 1996 and they experienced the largest drops in the number of licensed homes between 1996 and 2002. The data in Table 29 suggest that some family homes that continue to be in business and continue to be licensed may do so because they serve DSHS subsidized children.

**Table 29. Number of Licensed Family Homes and Percent Serving DSHS Children, 1996 and 2002**

Region	Number of Homes		Change Between 1996 and 2002	% Change Between 1996 and 2002	Percent Serving	
	1996	2002			1996	2002
1	1,336	1,254	-82	-6%	49%	73%
2	1,055	1,253	198	19%	49%	81%
3	1,465	1,140	-325	-22%	31%	63%
4	2,147	1,571	-576	-27%	30%	53%
5	1,150	956	-194	-17%	44%	58%
6	1,447	1,135	-312	-22%	45%	67%
<b>Statewide</b>	<b>8,600</b>	<b>7,309</b>	<b>-1,291</b>	<b>-15%</b>	<b>40%</b>	<b>66%</b>

Source: DSHS Division of Child Care and Early Learning  
1996 and 2002 Surveys of Family Homes

**Who Serves DSHS-Subsidized Children?**

In 2002, 87 percent of centers served DSHS-subsidized children. Of the centers not serving, only 53 percent stated a willingness to enroll DSHS-subsidized children, a big decline from 70 percent in 2000. The proportion of centers stating that they did not serve and were unwilling to serve DSHS-subsidized children remains low, only rising from 5 percent in 2000 to 6 percent in 2002. Of centers serving DSHS families, 10 percent said that they limit the number of DSHS children that they were willing to enroll. This was slightly less than in 2000 (13 percent). For those centers with limits, the average limit was fourteen subsidized children. Centers in Region 4 were least likely to care for subsidized children and most apt to limit their number (Table 30). However, even in Region 4, 91 percent of centers were willing to enroll DSHS children.

**Table 30. Centers Limiting Enrollment of DSHS-Subsidized Children**

DSHS Region	Number of Centers	Percent Willing to			Average Limit on DSHS Children <sup>[2]</sup>
		Serve DSHS Children	Percent Serving DSHS Children	Percent Limiting DSHS Children <sup>[1]</sup>	
1	339	97%	93%	9%	22
2	181	87%	86%	4%	13
3	306	94%	88%	10%	15
4	659	91%	78%	14%	10
5	332	97%	92%	8%	13
6	330	97%	93%	7%	18
<b>Statewide</b>	2,147	94%	87%	10%	14

[1] For centers serving DSHS children.

[2] For centers with a limit on number of DSHS children served.

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

In the 2002 survey we asked licensed family home providers if they were willing to care for DSHS-subsidized children and if they had cared for DSHS subsidized children in the last week. The percent of family home providers that said they would be willing to provide care to subsidized families rose slightly between 2000 and 2002, from 92 percent to 94 percent (see Table 31). About 70 percent of the family providers who were willing to accept DSHS-subsidized children actually cared for subsidized children in 2002. In 2000, the comparable number was 63 percent.

**Table 31. Family Homes Willing to Serve DSHS-Subsidized Children**

DSHS Region	Willing to Take DSHS Children	Serving DSHS Children
1	99%	73%
2	99%	81%
3	93%	63%
4	90%	53%
5	90%	58%
6	95%	67%
<b>Statewide</b>	94%	66%

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

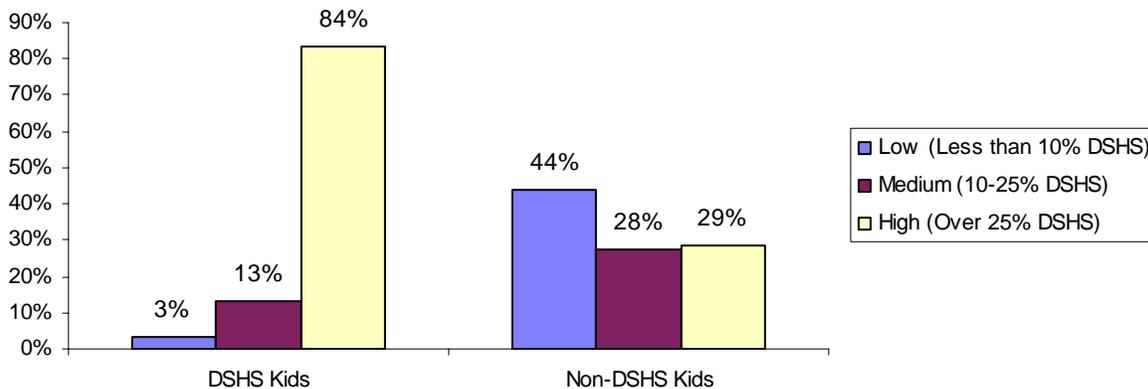
## Characteristics of Centers and Homes Serving DSHS-Subsidized Children

### *Distribution of DSHS Subsidized Children in Centers*

While most child care centers served at least one DSHS-subsidized child, the proportion of children in a center that were subsidized by DSHS varied widely. The proportion of children that are subsidized by DSHS can be used to categorize centers. According to the 2002 survey, 29 percent of centers had less than 10 percent of their children subsidized by DSHS ("Low"). At the other end, 49 percent of centers had more than 25 percent of their children subsidized by DSHS ("High"). The remaining 22 percent of centers had between 10 and 25 percent of their children subsidized by DSHS ("Medium"). In the four years from 1998 to 2002 the proportion of centers with more than 25 percent of their children subsidized ("High") rose from 31 percent in 1998 to 49 percent in 2002 (see page 60 in the 1998 Report for the 1998 data).

Figure 48 displays the percent of DSHS-subsidized children that attended centers with differing concentrations of DSHS-subsidized children (Low/Medium/High). While 29 percent of centers had fewer than 10 percent of their children subsidized by DSHS, only 3 percent of DSHS-subsidized children attended such centers. On the other hand, almost half of all children that were not subsidized attended such centers. At the other extreme, 84 percent of DSHS-subsidized children who attended child care centers went to centers where over 25 percent of the children were subsidized by DSHS, up from 77 percent in 2000.

**Figure 48. Distribution of Children by Receipt of Subsidies, According to the Proportion in the Center Subsidized by DSHS, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

### *DSHS Children and Race/Ethnicity of Family Home Providers*

The ethnicity of family home providers is related to the percent and number of children in their care that are subsidized by DSHS. Table 32 shows that 66 percent of all family homes served DSHS children. The percentage of Hispanic, Black, and Native American family home providers that served DSHS subsidized children was much higher (Hispanic: 90 percent; Black: 83 percent; Native American: 90 percent) Statewide, 38 percent of children in family homes were subsidized; however, 76 percent of children cared for by Hispanic providers and 66 percent of all children cared for by black providers were subsidized by DSHS. Last, Table 32 displays the

average number of DSHS children served by the ethnicity of the family home provider for homes serving DSHS children. The statewide average was 3.8 subsidized children per home (for homes serving DSHS children). The average number of DSHS children for Hispanic, Black, or Native American family home providers (4.8, 4.4 and 4.3) was higher than the average number of 3.4 DSHS children for white family home providers.

**Table 32. Family Home Providers Serving DSHS-Subsidized Children by Ethnicity of Provider, 2002**

Race or Ethnicity of Provider	Number of Providers	Percent of Providers	Percent Serving DSHS Children	Number of DSHS Children Served	Percent of Children Subsidized by DSHS	Average Number of DSHS Children Served*
White	5,042	69%	59%	10,029	29%	3.4
Hispanic	1,221	17%	90%	5,233	76%	4.8
Asian	217	3%	57%	413	39%	3.4
Black	308	4%	83%	1,127	66%	4.4
Native American	87	1%	90%	336	53%	4.3
Other or Unknown	435	6%	64%	1,130	41%	4.1
<b>State Total</b>	<b>7,309</b>	<b>100%</b>	<b>66%</b>	<b>18,268</b>	<b>38%</b>	<b>3.8</b>

\* Only includes homes serving DSHS children

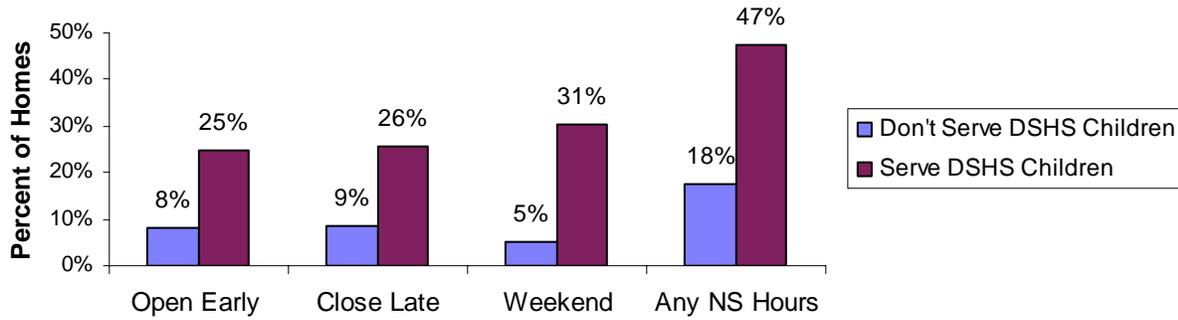
Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

*Non-Standard Hours Among Providers Serving DSHS Children*

Chapter 4 presented information on the opening and closing times of licensed providers. The relationship between the hours that a provider cares for children and how many DSHS children they serve is examined in this section. If a provider cares for children before 6 in the morning they are categorized as “Open Early”. If a provider remains open after 6 in the evening, then they “Close Late”. If they are open on the weekend, they are “Weekend”. Last, if a provider opens before 6 am, closes after 6 pm, or has weekend hours, then they have non-standard hours (“NS Hours”).

Figure 49 displays the proportion of licensed family homes that had non-standard hours by whether or not they served any DSHS-subsidized children. Home providers that served DSHS children were much more likely than home providers that did not serve DSHS children to open early in the morning, close late in the evening, or be open on the weekend. Overall, almost one half of family homes providers that served DSHS-subsidized children had non-standard hours. On the other hand, only 18 percent of homes that did not serve DSHS-subsidized children had non-standard hours.

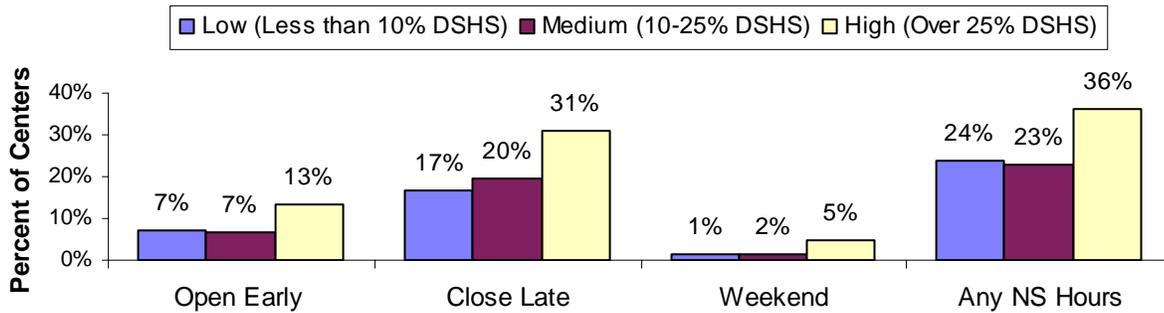
Figure 49. Percent of Family Homes with Non-Standard Hours, by DSHS Status, 2002



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

The relationship between non-standard hours and the percent of children subsidized by DSHS was examined for centers. Figure 50 displays the proportion of centers with non-standard hours by the percent of children in the center subsidized by DSHS. Centers with more than 25 percent of their children subsidized by DSHS were much more likely to have non-standard hours—to open early or close late—but even these centers were unlikely to be open on the weekend.

Figure 50. Percent of Centers with Non-Standard Hours, by DSHS Status, 2002



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

**Effects of DSHS Maximum Rates**

DSHS pays providers their usual and customary rates, up to the DSHS maximum rate. DSHS tries to change their maximum rates to reflect changes in market rates at least every two years. At the time of the survey, DSHS maximum rates were set at the 58<sup>th</sup> percentile of rates observed in the 2000 survey. It is reasonable to assume that providers’ decisions to accept DSHS-subsidized children will depend partly on whether or not they will receive their customary rate for care. If subsidy rates are too low, parents using subsidies may be limited to the less expensive providers.

Among centers caring for full-time preschool children, the average rate for such care was less in centers that served DSHS-subsidized children than in those centers that did not (Table 33). The statewide difference was driven by Region 4, where 35 percent of the centers not serving DSHS children were located.

**Table 33. Full-time Rates for Preschool Children, Difference Between Centers Serving DSHS Children and Those Not Serving, 2002**

Region	Serving DSHS Children	
	Yes	No
1	\$459	*
2	\$449	*
3	\$553	\$681
4	\$653	\$775
5	\$507	\$521
6	\$503	\$561
<b>Statewide</b>	<b>\$548</b>	<b>\$706</b>

\* Too few centers to report.

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

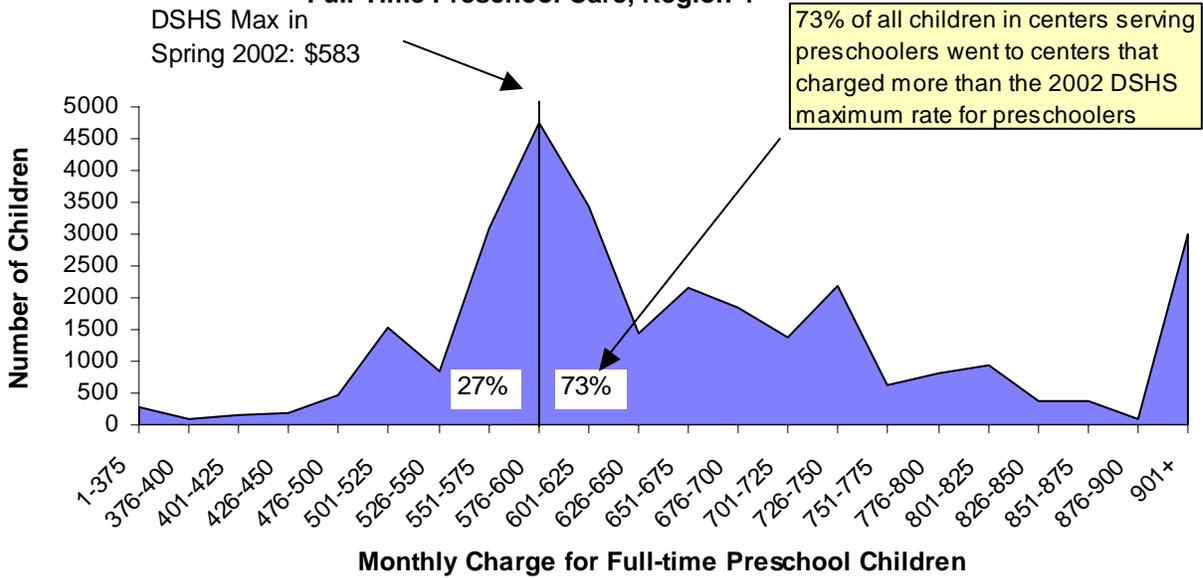
The higher rate charged by providers who did not care for subsidized children when compared to providers who did care for subsidized children suggests that DSHS subsidy rates may deter some providers from accepting DSHS subsidized children. Other factors may also have contributed to the observed differences in centers.

*Region 4 Centers as an Example*

A wide range of providers served DSHS children. Even some of the more expensive providers were willing to care for DSHS children, as illustrated in the following two figures (Figures 51 and 52). For simplicity, we limited our analysis to centers in Region 4 that served full-time preschool-age children.

At the time of the 2002 survey, the maximum rate that DSHS would pay for preschoolers in center care was \$583 a month in Region 4. Looking at children in centers that provided care for preschoolers in Region 4, only 27 percent of all children received care in centers charging \$583 or less for full-time preschool (Figure 51).

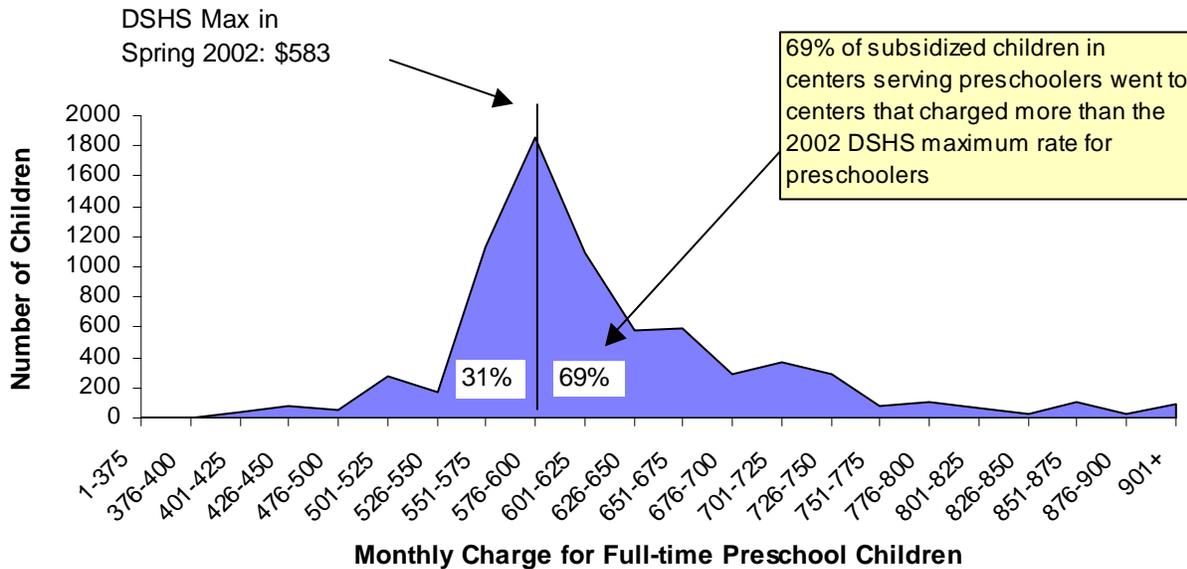
**Figure 51. Number of Children in Centers by Monthly Charges for Full-Time Preschool Care, Region 4**



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

Looking just at DSHS-subsidized children, at the time of the 2002 survey, 69 percent went to centers that customarily charged more than the DSHS maximum for preschool children (Figure 52). The providers that served those children were receiving less than their customary rates in serving those children. While DSHS-subsidized children were slightly less likely to attend centers with preschool rates above the DSHS maximum than children in general (69 percent versus 73 percent), a large majority of DSHS children attended centers with preschool rates above the DSHS maximum.

**Figure 52. Number of DSHS-Subsidized Children in Centers by Monthly Charge for Full-Time Preschool Care, Region 4**



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

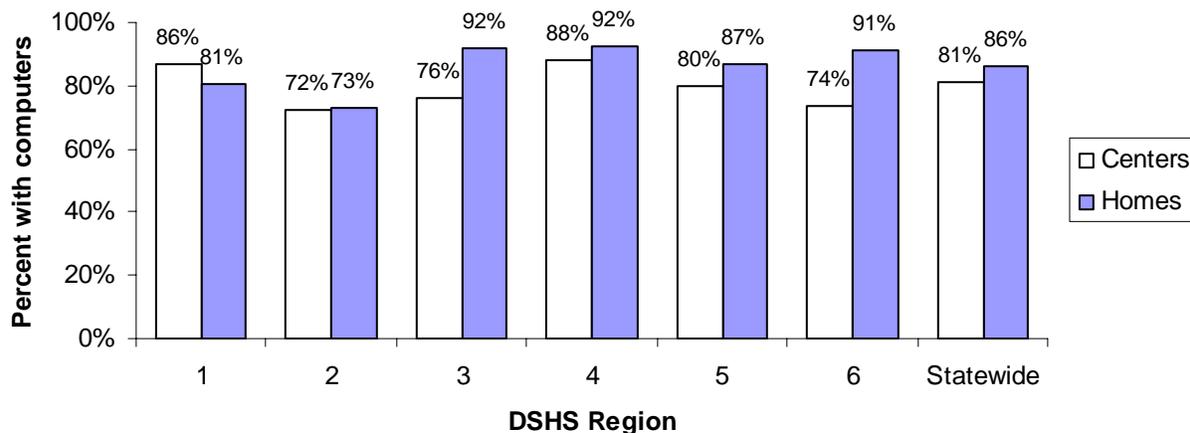
## CHAPTER 7. SPECIAL TOPICS

### Computer and Internet Access among Child Care Providers

The Department of Social and Health Services would like to use the Internet to communicate with providers. But in using the Internet as a way to communicate with providers, DSHS needs to understand which segments of the provider community do not have access to the Internet. Center and family home providers were asked on the 2002 survey whether or not they had a computer in their center or home and whether they could access the Internet.

Figure 53 shows the percent of providers with a computer in their center or home by region. Center providers were asked if their center had a computer, but they were not asked if they had a computer at home that they used for business purposes. Statewide, 81 percent of centers and 86 percent of home providers reported that they had a computer in their place of business. The percent of centers with computers varied from a low of 72 percent in Region 2 to a high of 88 percent in Region 4. Homes varied from 73 percent in Region 2 to 92 percent in Regions 3 and 4, showing a definite division between the eastern (Regions 1 and 2) and western parts of the state (Regions 3, 4, 5, and 6). In all regions except Region 1, center providers were less likely than home providers to have a computer in their workplace.

**Figure 53. Percent of Centers and Homes with Computers, 2002**

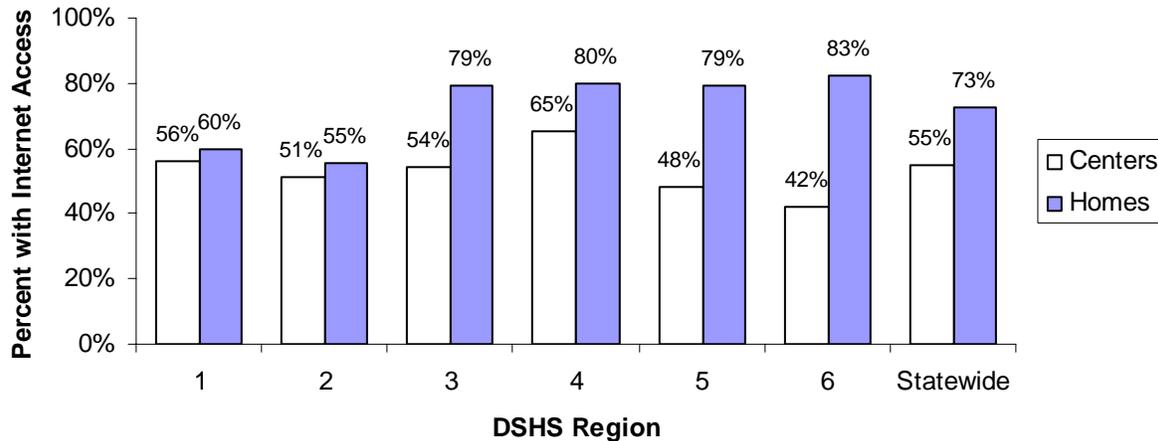


Source: DSHS Division of Child Care and Early Learning  
2002 Surveys of Child Care Centers and Family Homes

Computers are becoming more and more of a standard tool for business operations such as accounting, records keeping, and word processing, and the proportion of centers with computers is nearly as high as that for homes. Internet use, however, is not necessary for the day-to-day operation of centers and adds costs such as monthly fees, anti-virus software, etc.

Figure 54 shows the percent of center and home providers with access to the Internet. Home providers were much more likely to have access to the Internet from their place of business than center providers. Because home providers do business in their own home, they use their computers for personal as well as business use. Statewide, 73 percent of homes reported that they had Internet access, while only 55 percent of centers said they had access to the Internet.

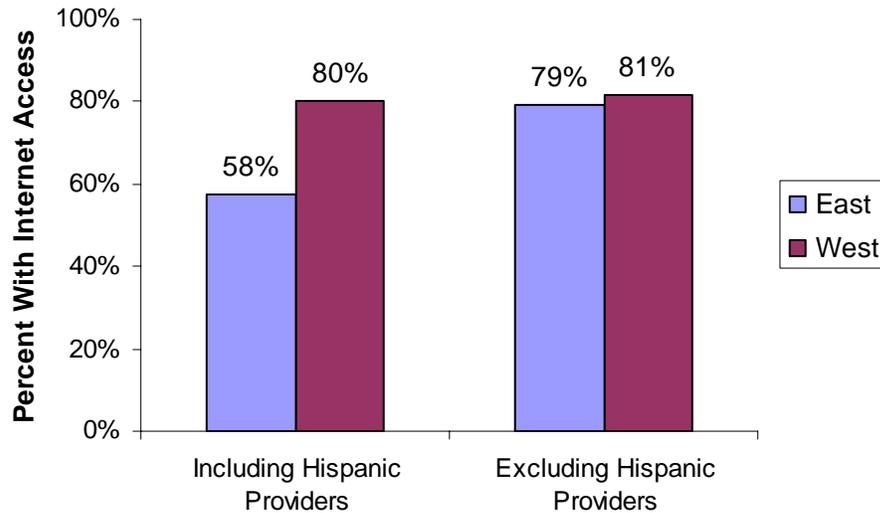
**Figure 54. Percent of Centers and Homes with Internet Access, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Surveys of Child Care Centers and Family Homes

Other characteristics of center providers with and without Internet access were examined. Government centers were much more likely to have Internet access (74 percent) compared to non-profit centers (58 percent) and for-profit centers (50 percent). Also, centers serving a low proportion of DSHS children were more likely to have Internet access than those with a higher proportion of DSHS-subsidized children (58 versus 53 percent).

Internet access for home providers was analyzed by the ethnicity of the provider. Hispanic providers had low rates of Internet access, with only 30 percent of Hispanic family home providers having access to the Internet from their home. Indeed, the low level of access among Hispanic providers largely explains the difference in Internet access between family home providers in the eastern and western parts of the state. As shown in Figure 55, Internet access for non-Hispanic providers on the east and west sides of the state were quite similar (79 versus 81 percent).

**Figure 55. Internet Access for Home Providers Controlling for Hispanic Ethnicity, 2002**

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

### Resource and Referral Services

The Resource and Referral Network (R&R) is a private, non-profit agency that DSHS contracts with to provide services to child care providers. In the 2002 surveys several new questions were asked to see which R&R services were helpful to providers. Providers were asked whether or not they found the following services helpful to them in the past year: referral services; STARS training through Resource and Referral; over the phone technical assistance; assistance through the licensing process; grants to purchase learning and play materials; and mini-grants.

Tables 34 and 35 show the percent of providers that found each individual service helpful, as well as the percent that found any of the listed R&R services useful to them in the past year. Most providers (86 percent of centers and 90 percent of homes) reported that at least one of the six services had been helpful to them in the past year. A higher proportion of homes than centers found each of the services useful, with large differences in technical assistance (44 percent for homes to 28 percent for centers) and help through the licensing process (41 versus 28 percent). Region 6 centers seemed to find R&R services particularly helpful, especially for referral services (76 percent compared to the state average of 59 percent) and STARS training (77 percent versus 69 percent statewide). Region 2 had the largest difference between centers and homes, with 81 percent of centers and 95 percent of home providers finding at least one of the listed R&R services helpful to them in the past year. Monies for the two grant services were limited—far short of demand—but a high proportion of providers stated that they had been helped by either the purchasing or mini-grants in the past year. Looking at the percent of providers that said that they had been helped by either purchasing grants or mini-grants, 21 percent of center and 26 percent of home providers said that they had been helped (data not presented in tables). A particularly high proportion of providers in Region 2 were helped by those grants.

**Table 34. Percent of Centers Finding Resource and Referral Services Helpful in the Past Year, 2002**

Region	Referrals	STARS Training	Technical Assistance	Purchasing Grants	Licensing Assistance	Mini Grants	Any Service
1	44%	65%	23%	15%	25%	10%	84%
2	45%	69%	32%	23%	25%	21%	81%
3	61%	69%	28%	18%	32%	14%	86%
4	56%	71%	25%	18%	34%	11%	86%
5	66%	59%	37%	18%	26%	7%	84%
6	76%	77%	29%	17%	16%	14%	91%
<b>Statewide</b>	<b>59%</b>	<b>69%</b>	<b>28%</b>	<b>18%</b>	<b>28%</b>	<b>12%</b>	<b>86%</b>

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

**Table 35. Percent of Homes Finding Resource and Referral Services Helpful in the Past Year, 2002**

Region	Referrals	STARS Training	Technical Assistance	Purchasing Grants	Licensing Assistance	Mini Grants	Any Service
1	59%	69%	47%	25%	44%	15%	87%
2	61%	80%	57%	28%	50%	21%	95%
3	61%	66%	34%	18%	31%	12%	89%
4	58%	67%	37%	21%	45%	9%	87%
5	79%	67%	43%	16%	32%	7%	94%
6	74%	82%	49%	20%	42%	13%	94%
<b>Statewide</b>	<b>64%</b>	<b>72%</b>	<b>44%</b>	<b>21%</b>	<b>41%</b>	<b>13%</b>	<b>90%</b>

Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

Table 36 displays the proportion of providers finding R&R services helpful by whether or not they served DSHS children. In every category, those that served DSHS-subsidized children were more likely to report that R&R services had been helpful to them in the past year. In Table 36 centers with 10 percent or fewer children subsidized by DSHS are categorized as “Low” and homes were divided into those that served and did not serve DSHS-subsidized children.

**Table 36. Percent of Homes and Centers Finding Resource and Referral Services Helpful in Past Year, by DSHS, 2002**

Centers:							
Percent DSHS*	Referrals	STARS Training	Technical Assistance	Purchasing Grants	Licensing Assistance	Mini Grants	Any Service
Low	45%	61%	19%	9%	25%	5%	77%
High	64%	72%	32%	21%	29%	15%	89%

Homes:							
Serves DSHS	Referrals	STARS Training	Technical Assistance	Purchasing Grants	Licensing Assistance	Mini Grants	Any Service
No	56%	71%	35%	15%	36%	10%	87%
Yes	69%	73%	49%	25%	44%	14%	92%

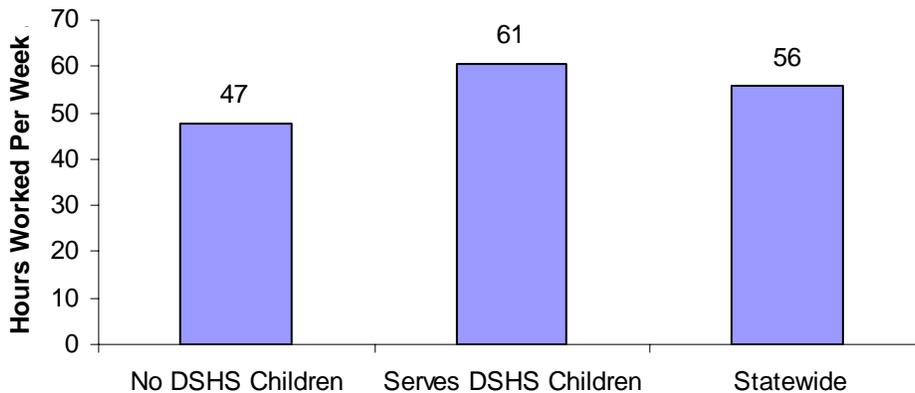
\* Centers with 10 percent or fewer of their children subsidized by DSHS are categorized as “Low” and all other centers are categorized “High”.

Source: DSHS Division of Child Care and Early Learning  
2002 Surveys of Child Care Centers and Family Homes

### Work Hours of Family Home Providers

A question was added to the 2002 family home provider survey about the number of hours per week that they cared for children. The average number of hours that family home providers worked per week varied only slightly by Region from a low of 54 hours per week in Region 4 to a high of 58 hours per week in Region 2. The most significant difference in hours per week worked was between those providers that served and did not serve DSHS-subsidized children. As shown in Figure 56, family home providers that served DSHS-subsidized children averaged 61 hours per week compared to 47 hours per week for those not serving DSHS-subsidized children.

**Figure 56. Average Hours Per Week Worked By Home Providers by Serving DSHS-Subsidized Children, 2002**

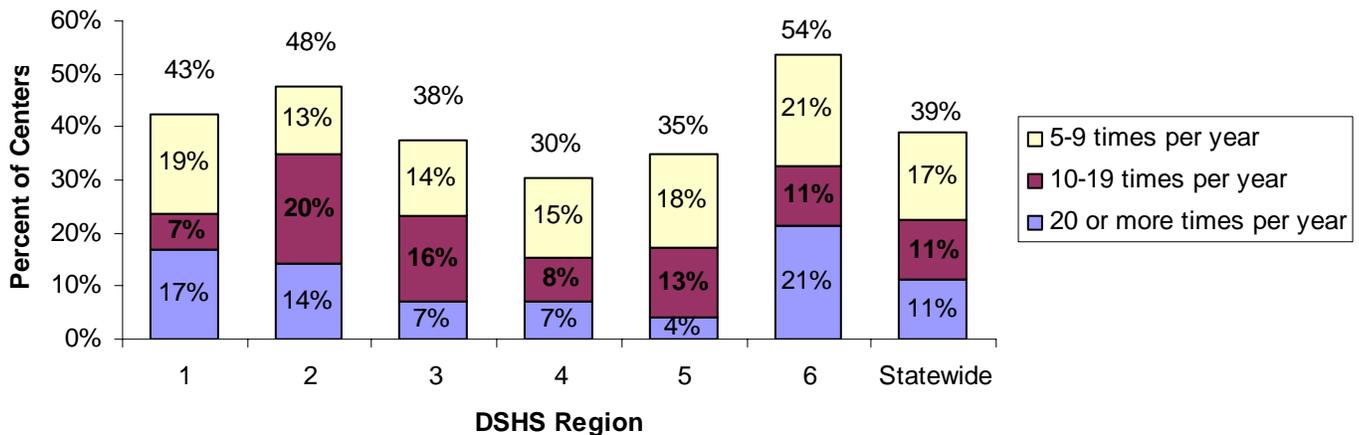


Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

**Contact with DSHS Licensing Staff**

On the 2002 surveys center and home providers were asked how many times per year they, or someone on their staff, had called their licensor and how long it generally had taken for the licensor to return those calls. Figures 57 and 58 display the percent of centers and homes that contacted their licensor five or more times per year. The proportion of centers that contacted their licensor varied by region, over half of all centers in Region 6 called their licensor at least five times per year and only 30 percent of centers in Region 4 called that often.

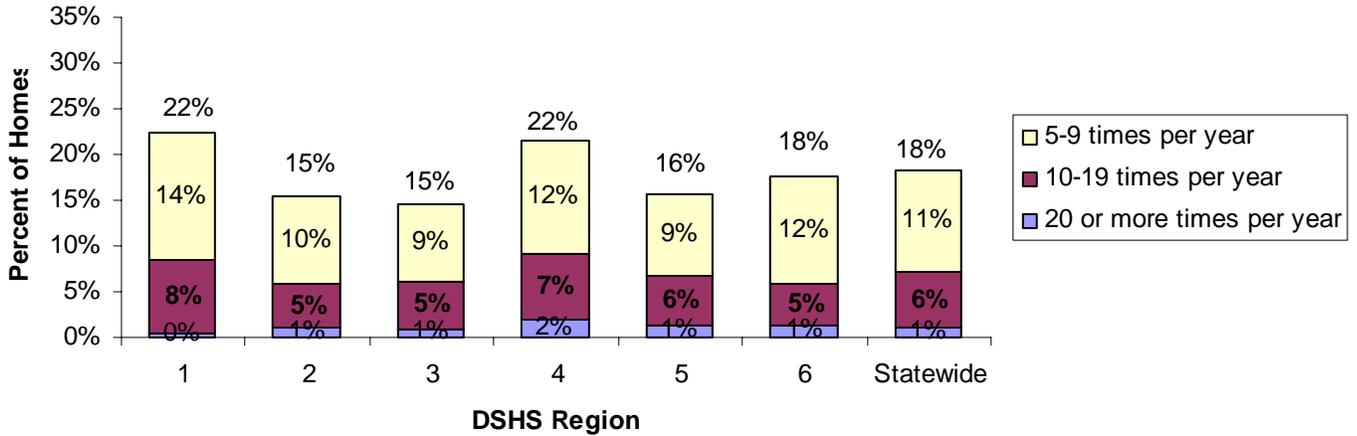
**Figure 57. Percent of Centers Contacting Their Licensor at Least Five Times per Year, by Region, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

The proportion of family home providers that contacted their licensor at least five times per year was much lower than that for centers, with less than one-quarter of all home providers having called their licensor at least five times per year. Only 22 percent of family home providers that did not serve any DSHS-subsidized children contacted their licensor at all during the past year compared to 33 percent of family home providers that had at least one DSHS-subsidized child (data not presented).

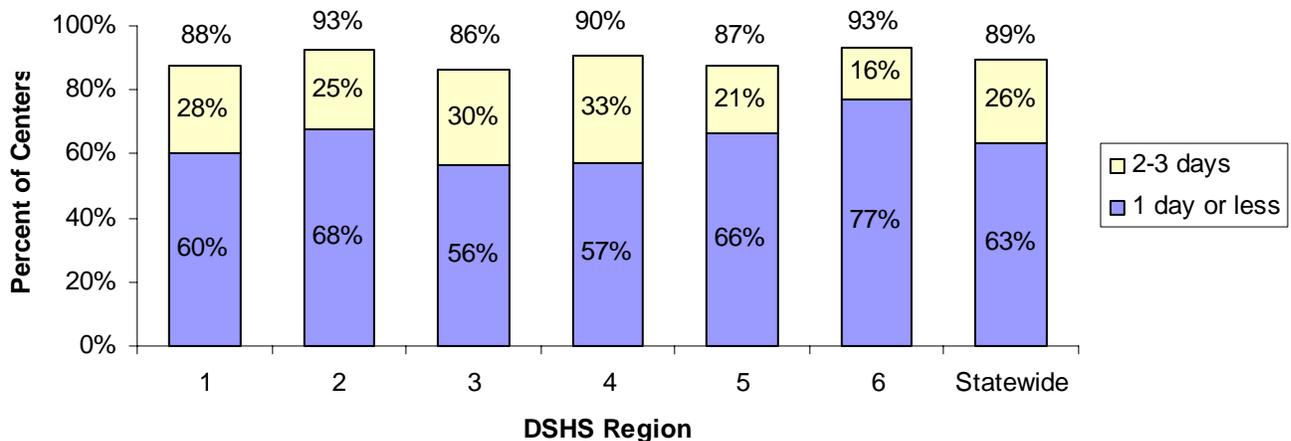
**Figure 58. Percent of Home Providers Contacting Their Licensor at Least Five Times per Year, by Region, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

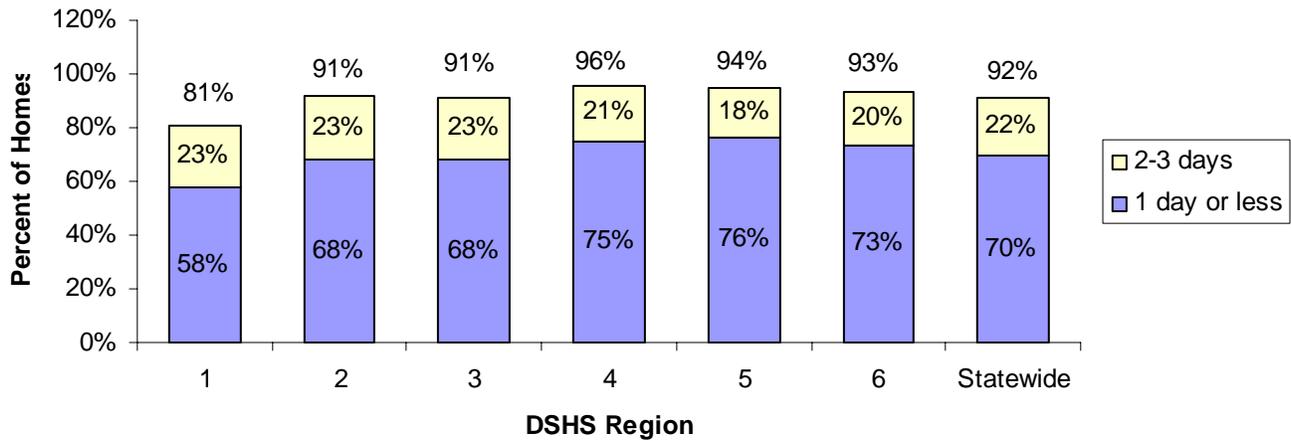
Figures 59 and 60 display the percent of centers and homes whose licensors generally returned their phone calls within three business days. Only providers who contacted their licensor at least once in the past year were included in these figures. The proportion of providers whose calls were generally returned within three business days is quite high for both center and family home providers. The only category where less than 85 percent of providers said that their calls were returned within three days was family home providers in Region 1.

**Figure 59. Percent of Centers Receiving Return Phone Calls from Their Licensor Within Three Business Days, by Region, 2002**



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers

Figure 60. Percent of Homes Receiving Return Phone Calls from Their Licensor Within Three Business Days, by Region, 2002



Source: DSHS Division of Child Care and Early Learning  
2002 Survey of Family Homes

## APPENDIX A: COUNTY STATISTICS

<b>Table A1.</b>	2002 County Level Statistics: Facilities and Child Care Slots _____	74
<b>Table A2.</b>	2002 County Level Statistics: Vacancies and Vacancy Rates _____	75
<b>Table A3.</b>	2002 County Level Statistics: Children in Licensed Child Care _____	76
<b>Table A4.</b>	2002 County Level Statistics: Children with Subsidized Child Care _____	77
<b>Table A5.</b>	2002 County Level Statistics: Average Price of Full-Time Preschool Child Care _____	78

**Table A1. 2002 County Level Statistics: Facilities and Child Care Slots**

<u>Counties</u>	<u>Licensed Centers</u>	<u>Licensed Homes</u>	<u>Licensed Facilities</u>	<u>Slots in Centers</u> <sup>[1]</sup>	<u>Slots in Homes</u> <sup>[2]</sup>	<u>Total Capacity</u> <sup>[3]</sup>
Adams	4	32	36	404	231	635
Asotin	8	10	18	300	69	369
Benton	53	290	343	2,909	2,292	5,201
Chelan	31	255	286	1,443	2,034	3,477
Clallam	24	49	73	982	414	1,396
Clark	99	463	562	6,143	3,313	9,456
Columbia	1	6	7	50	46	96
Cowlitz	32	103	135	1,813	729	2,542
Douglas	8	130	138	413	1,101	1,514
Ferry	1	3	4	12	25	37
Franklin	17	244	261	1,373	1,916	3,289
Garfield	1	1	2	7	1	8
Grant	17	252	269	1,069	1,710	2,779
Grays Harbor	23	72	95	939	605	1,544
Island	18	64	82	781	463	1,244
Jefferson	3	28	31	111	206	317
King	659	1,571	2,230	41,208	12,618	53,826
Kitsap	64	232	296	3,679	1,862	5,541
Kittitas	10	45	55	466	332	798
Klickitat	3	15	18	87	120	207
Lewis	27	63	90	1,080	519	1,599
Lincoln	5	9	14	161	72	233
Mason	12	60	72	458	507	965
Okanogan	16	70	86	603	548	1,151
Pacific	7	15	22	203	111	314
Pend Oreille	3	5	8	81	50	131
Pierce	268	724	992	13,700	6,442	20,142
San Juan	8	5	13	211	38	249
Skagit	52	199	251	2,417	1,713	4,130
Skamania	3	7	10	102	69	171
Snohomish	174	752	926	11,509	6,580	18,089
Spokane	222	430	652	13,960	3,650	17,610
Stevens	6	25	31	245	222	467
Thurston	95	259	354	4,846	2,078	6,924
Wahkiakum	2	1	3	90		90
Walla Walla	16	53	69	812	414	1,226
Whatcom	54	120	174	2,691	903	3,594
Whitman	17	32	49	919	215	1,134
Yakima	84	615	699	5,989	4,444	10,433
State Total	2,147	7,309	9,456	124,266	58,662	182,928

[1] Sum of centers' licensed capacities.

[2] Licensed slots minus provider's own children.

[3] Sum of licensed slots in centers and homes.

Due to higher level of detail, columns may not always agree with totals elsewhere. Due to rounding, the state totals may not be the sum of the county sub-totals.

**Table A2. 2002 County Level Statistics: Vacancies and Vacancy Rates**

Counties	Total Capacity	Vacancies, All Age Groups			Vacancy Rate <sup>[1]</sup>	Vacancies for Very Young Children			
		Centers	Homes	Total		Centers <sup>[2]</sup>		Homes <sup>[3]</sup>	
						Infants	Toddlers	Under Two	Total
Adams	635	44	63	107	17%	4	11	22	37
Asotin	369	52	9	61	17%	8	8	1	17
Benton	5,201	356	398	754	14%	19	71	134	223
Chelan	3,477	130	403	533	15%	10	28	243	281
Clallam	1,396	133	49	182	13%	11	33	15	58
Clark	9,456	1,031	567	1,597	17%	54	190	208	452
Columbia	96	0	0	0	0%				0
Cowlitz	2,542	471	222	693	27%	28	121	117	266
Douglas	1,514	91	332	424	28%	3	1	147	151
Ferry	37	0	0	0	0%				0
Franklin	3,289	199	441	641	19%	23	51	213	287
Garfield	8	0	0	0	0%				0
Grant	2,779	121	333	454	16%	11	30	141	182
Grays Harbor	1,544	198	95	293	19%	16	32	38	86
Island	1,244	56	69	125	10%	1	21	33	56
Jefferson	317	15	36	51	16%	9	6	6	21
King	53,826	5,855	2,583	8,438	16%	267	1,037	1,118	2,422
Kitsap	5,541	226	238	463	8%	28	105	119	252
Kittitas	798	89	29	117	15%	5	31	8	43
Klickitat	207	6	14	20	10%	0	0	6	6
Lewis	1,599	225	97	322	20%	19	62	43	123
Lincoln	233	60	17	76	33%	5	8	8	21
Mason	965	49	75	125	13%	5	5	33	43
Okanogan	1,151	202	104	306	27%	8	55	33	96
Pacific	314	43	23	66	21%	1	7	8	16
Pend Oreille	131	25	0	25	19%	2	6		8
Pierce	20,142	1,898	1,074	2,972	15%	112	1,237	329	1,678
San Juan	249	22	9	31	12%	4	4	2	10
Skagit	4,130	648	391	1,039	25%	15	84	146	244
Skamania	171	30	5	35	20%		8	0	8
Snohomish	18,089	1,943	1,102	3,045	17%	134	413	436	983
Spokane	17,610	1,412	407	1,819	10%	89	251	192	532
Stevens	467	34	35	69	15%	5	15	12	32
Thurston	6,924	649	262	910	13%	24	126	33	183
Wahkiakum	90	13		13	14%	4	9		13
Walla Walla	1,226	106	70	176	14%	2	15	22	39
Whatcom	3,594	315	138	453	13%	32	51	24	107
Whitman	1,134	125	44	168	15%	3	19	12	34
Yakima	10,433	812	1,234	2,046	20%	39	160	582	781
State Total	182,928	17,681	10,970	28,651	16%	999	4,308	4,480	9,788

[1] Vacancy rate = Vacancies/Licensed Slots

[2] Center Vacancies: Infants up to 1; Toddlers 1 to 2.5

[3] Home Vacancies for Infant/Toddlers under 2 years old

**Table A3. 2002 County Level Statistics: Children in Licensed Child Care**

Counties	All Children		Children in Licensed Care			% Under 13 in Licensed	Total Capacity <sup>[3]</sup>	Slots per 100 Children <sup>[4]</sup>
	Under 13 <sup>[1]</sup>	Children<5	Centers	Homes	Total	Care <sup>[2]</sup>		
Adams	4,011	1,552	365	177	542	14%	635	16
Asotin	3,632	1,394	428	53	481	13%	369	10
Benton	30,185	11,030	2,579	2,036	4,614	15%	5,201	17
Chelan	13,024	4,757	1,286	1,346	2,632	20%	3,477	27
Clallam	9,457	3,289	1,013	424	1,436	15%	1,396	15
Clark	73,992	27,979	5,802	2,906	8,707	12%	9,456	13
Columbia	645	215	39	47	86	13%	96	15
Cowlitz	17,503	6,211	1,806	661	2,467	14%	2,542	15
Douglas	6,774	2,471	549	803	1,352	20%	1,514	22
Ferry	1,220	389	28	24	52	4%	37	3
Franklin	12,697	5,083	1,192	1,718	2,910	23%	3,289	26
Garfield	381	108	10	1	11	3%	8	2
Grant	17,152	6,600	866	1,338	2,204	13%	2,779	16
Grays Harbor	11,780	4,194	1,159	573	1,732	15%	1,544	13
Island	13,055	4,817	949	410	1,359	10%	1,244	10
Jefferson	3,376	1,048	116	207	323	10%	317	9
King	281,706	106,308	38,079	10,352	48,432	17%	53,826	19
Kitsap	43,326	15,511	3,911	1,516	5,427	13%	5,541	13
Kittitas	4,822	1,745	586	354	940	19%	798	17
Klickitat	3,485	1,218	96	110	206	6%	207	6
Lewis	12,365	4,429	1,120	506	1,626	13%	1,599	13
Lincoln	1,692	574	198	45	243	14%	233	14
Mason	7,811	2,642	518	468	987	13%	965	12
Okanogan	7,366	2,469	539	508	1,047	14%	1,151	16
Pacific	2,887	944	239	116	356	12%	314	11
Pend Oreille	2,015	629	87	75	162	8%	131	7
Pierce	138,186	50,999	14,521	5,093	19,614	14%	20,142	15
San Juan	1,821	532	258	43	301	17%	249	14
Skagit	18,903	6,760	1,489	1,330	2,818	15%	4,130	22
Skamania	1,754	624	128	60	188	11%	171	10
Snohomish	121,257	44,569	10,514	5,102	15,616	13%	18,089	15
Spokane	75,378	27,608	14,407	2,937	17,344	23%	17,610	23
Stevens	7,551	2,405	318	163	481	6%	467	6
Thurston	36,357	12,947	4,877	1,708	6,585	18%	6,924	19
Wahkiakum	568	197	88		88	15%	90	16
Walla Walla	9,331	3,431	958	391	1,350	14%	1,226	13
Whatcom	28,676	10,381	2,770	822	3,592	13%	3,594	13
Whitman	5,045	1,928	946	172	1,118	22%	1,134	22
Yakima	50,741	19,435	5,190	3,542	8,732	17%	10,433	21
State Total	1,081,930	399,421	120,022	48,137	168,159	16%	182,928	17

[1] Based on OFM estimate of children under 13  
 [2] Children in licensed care/All children under 13  
 [3] From last column of Table A1  
 [4] 100 x (Licensed slots/All children under 13)

**Table A4. 2002 County Level Statistics: Children with Subsidized Child Care**

Counties	Estimate from Child Care Surveys April/May 2002 <sup>[1]</sup> Licensed Care Only			Information from SSPS <sup>[2]</sup> Calendar Year 2002 <sup>[3]</sup>		Children Under 13 in Poverty <sup>[4]</sup>
	Centers	Homes	Both	Licensed Care Only	Licensed or Exempt Care	
Adams	53	120	173	436	752	938
Asotin	190	6	196	396	606	788
Benton	987	688	1,675	3,121	4,480	4,075
Chelan	397	801	1,198	2,405	3,244	2,344
Clallam	450	210	660	1,146	1,543	1,693
Clark	1,635	862	2,497	5,188	7,715	8,879
Columbia		14	14	11	27	118
Cowlitz	831	417	1,248	2,201	3,217	3,010
Douglas	89	514	603	1,185	1,395	1,219
Ferry	11	12	23	59	165	344
Franklin	189	1,417	1,606	3,148	4,183	3,060
Garfield	4	1	5	7	19	81
Grant	164	600	764	2,560	3,437	3,842
Grays Harbor	582	213	794	1,239	1,840	2,474
Island	279	156	434	769	1,041	1,462
Jefferson	56	88	144	257	356	604
King	8,471	3,112	11,583	19,040	25,246	25,917
Kitsap	1,333	447	1,780	2,863	3,812	4,679
Kittitas	63	103	166	396	490	791
Klickitat	56	40	96	219	348	767
Lewis	630	344	974	1,559	2,288	2,288
Lincoln	42	8	50	109	142	294
Mason	261	213	474	770	1,130	1,406
Okanogan	224	255	479	1,212	1,829	2,129
Pacific	98	66	164	332	451	650
Pend Oreille	31	13	44	120	204	526
Pierce	5,689	1,423	7,113	12,912	17,248	17,550
San Juan	30	17	47	80	81	262
Skagit	527	684	1,212	2,651	3,362	2,854
Skamania	41	24	64	129	166	291
Snohomish	2,568	1,307	3,876	6,737	8,230	10,792
Spokane	4,573	1,116	5,689	9,921	12,588	11,307
Stevens	215	62	277	528	859	1,646
Thurston	1,484	391	1,875	3,584	4,567	4,036
Wahkiakum	24		24	51	59	90
Walla Walla	205	179	384	684	1,275	1,670
Whatcom	886	255	1,141	2,317	3,212	3,986
Whitman	155	22	177	326	394	721
Yakima	1,630	2,066	3,696	8,102	12,521	12,736
State Total	35,150	18,268	53,418	98,770	134,522	142,815

[1] The 2002 Surveys of Child Care Centers and Homes were conducted from March through June 2002

[2] DSHS' Social Service Payment System (SSPS) contains information on payments made for subsidized child care.

[3] Children receiving subsidized care at any time in 2002 according to SSPS.

[4] Based on OFM's estimate of children under 13 and percent of children under 18 in poverty as of 2000 Census.

**Table A5. 2002 County Level Statistics:  
Average Price of Full-Time Preschool Child Care**

<u>Counties</u>	<u>Centers*</u>	<u>Homes*</u>	<u>All Facilities*</u>
Adams	< 5 facilities	\$420	\$437
Asotin	\$428	\$404	\$425
Benton	\$477	\$430	\$457
Chelan	\$412	\$409	\$411
Clallam	\$547	\$503	\$531
Clark	\$559	\$484	\$541
Columbia	< 5 facilities	\$432	\$432
Cowlitz	\$427	\$476	\$438
Douglas	\$407	\$394	\$395
Ferry	< 5 facilities	< 5 facilities	< 5 facilities
Franklin	\$450	\$393	\$406
Garfield	< 5 facilities	< 5 facilities	< 5 facilities
Grant	\$459	\$417	\$424
Grays Harbor	\$442	\$428	\$438
Island	\$518	\$458	\$495
Jefferson	< 5 facilities	\$492	\$494
King	\$673	\$643	\$667
Kitsap	\$507	\$503	\$506
Kittitas	\$440	\$420	\$433
Klickitat	< 5 facilities	\$456	\$469
Lewis	\$457	\$447	\$454
Lincoln	\$431	\$399	\$426
Mason	\$439	\$484	\$459
Okanogan	\$399	\$383	\$389
Pacific	\$350	\$435	\$363
Pend Oreille	< 5 facilities	\$330	\$391
Pierce	\$508	\$476	\$501
San Juan	\$646	\$526	\$632
Skagit	\$509	\$540	\$525
Skamania	< 5 facilities	\$429	\$435
Snohomish	\$586	\$545	\$575
Spokane	\$457	\$423	\$450
Stevens	\$466	\$405	\$441
Thurston	\$507	\$467	\$496
Wahkiakum	< 5 facilities	< 5 facilities	< 5 facilities
Walla Walla	\$487	\$419	\$466
Whatcom	\$521	\$522	\$521
Whitman	\$568	\$417	\$545
Yakima	\$419	\$378	\$401
State Total	\$562	\$499	\$545

\* Unable to estimate when fewer than 5 facilities in county.

DSHS Division of Child Care and Early Learning  
2002 Survey of Child Care Centers and Homes

## APPENDIX B: COUNTY STATISTICAL MAPS

<b>Figure B1.</b>	Number of Licensed Child Care Centers, 2002 _____	80
<b>Figure B2.</b>	Number of Licensed Family Homes, 2002 _____	81
<b>Figure B3.</b>	Child Care Slots in Licensed Centers, 2002 _____	82
<b>Figure B4.</b>	Capacity of Licensed Family Homes, 2002 _____	83
<b>Figure B5.</b>	Total Licensed Capacity, 2002 _____	84
<b>Figure B6.</b>	Percent of Children in Licensed Care that Attend Licensed Family Homes, 2002 _____	85
<b>Figure B7.</b>	Total Child Population (0 to 12 Years), 2002 Estimate _____	86
<b>Figure B8.</b>	Licensed Slots per 100 Children, 2002 _____	87
<b>Figure B9.</b>	Number of Children in Licensed Care Subsidized by DSHS, 2002 _____	88
<b>Figure B10.</b>	Percent of Children in Licensed Care Subsidized by DSHS, 2002 _____	89
<b>Figure B11.</b>	Total Reported Vacancies in Licensed Care, 2002 _____	90
<b>Figure B12.</b>	Vacancy Rate in Licensed Care, 2002 _____	91
<b>Figure B13.</b>	Average Price of Full-Time Preschool in Licensed Care, 2002 _____	92

**Figure B1. Number of Licensed Child Care Centers, 2002**

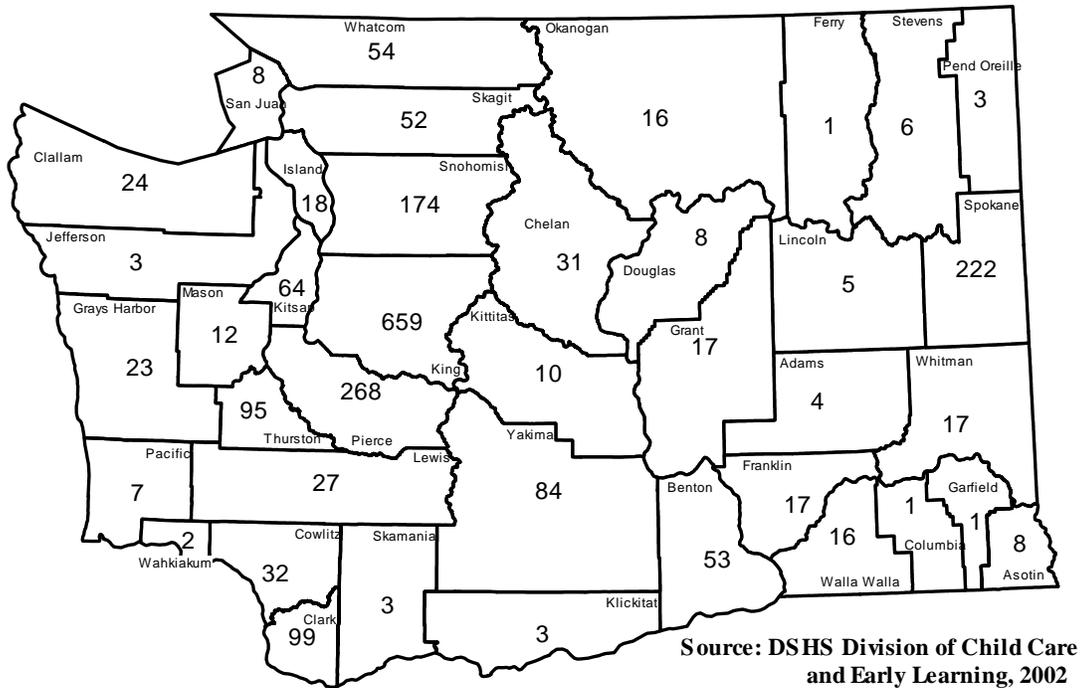




Figure B3. Child Care Slots in Licensed Centers, 2002

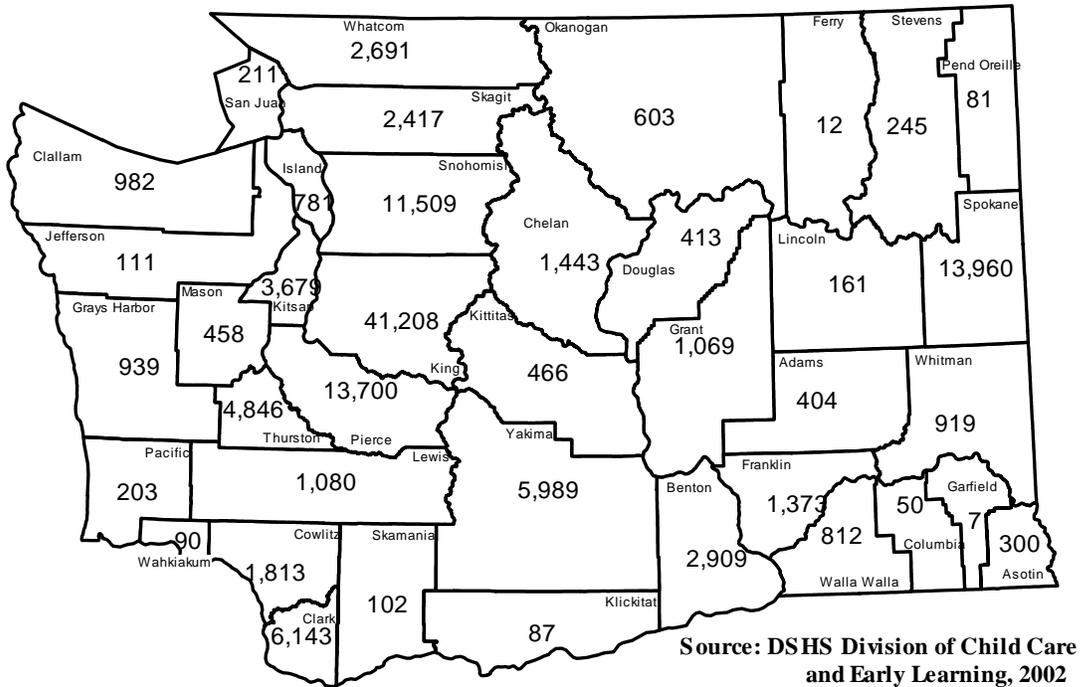
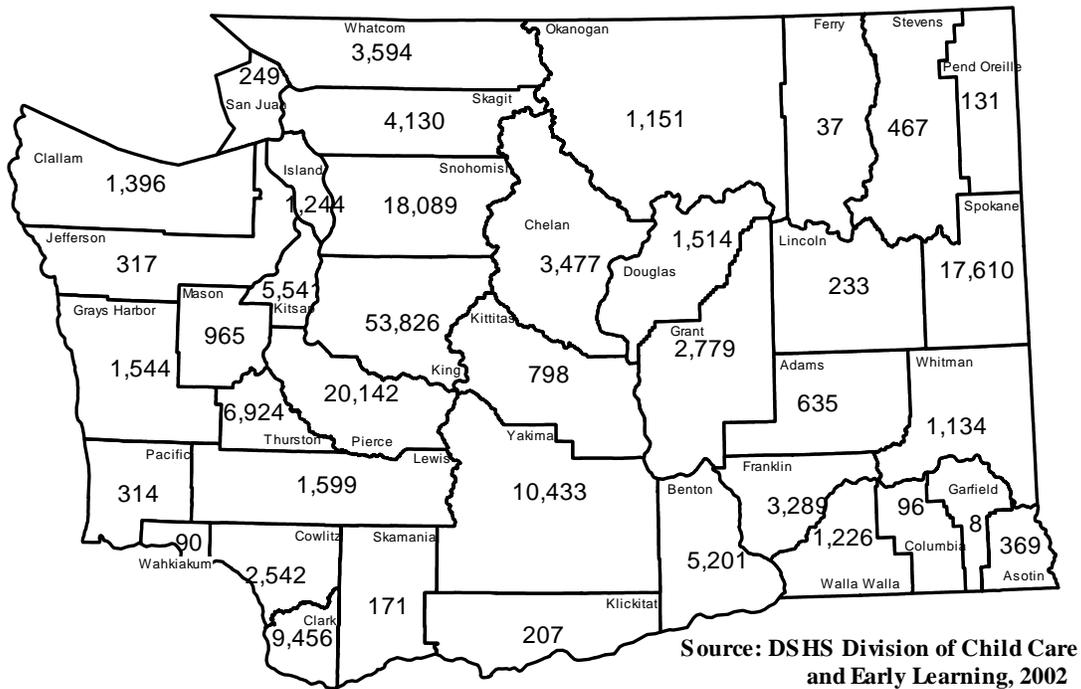
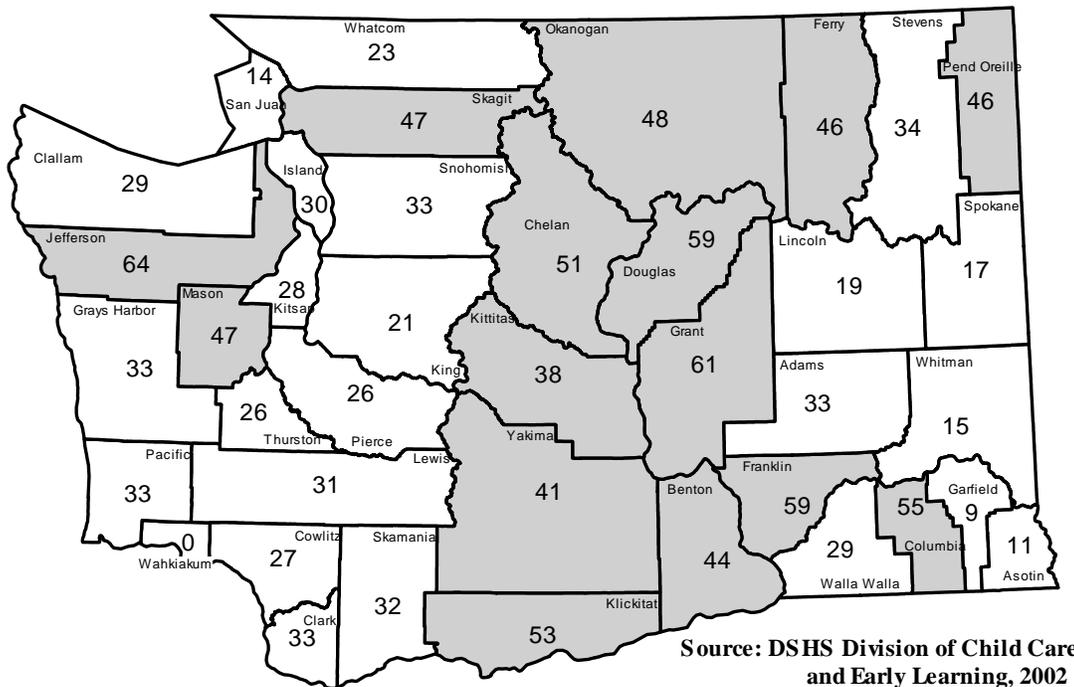




Figure B5. Total Licensed Capacity, 2002



**Figure B6. Percent of Children in Licensed Care that Attend Licensed Family Homes, 2002**



**Note: Shaded counties had more than 35 out of every 100 children in licensed care attending licensed family homes in 2002 (the statewide average was 29 per 100 children in 2002).**

Figure B7. Total Child Population (0-12 Years), 2002 Estimate

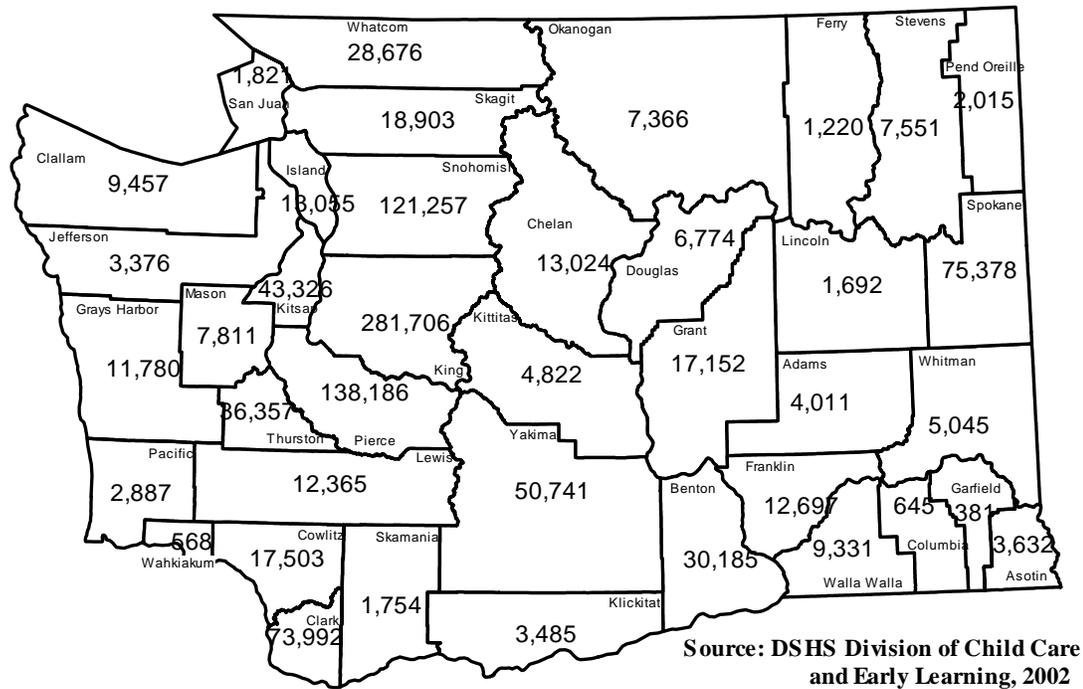
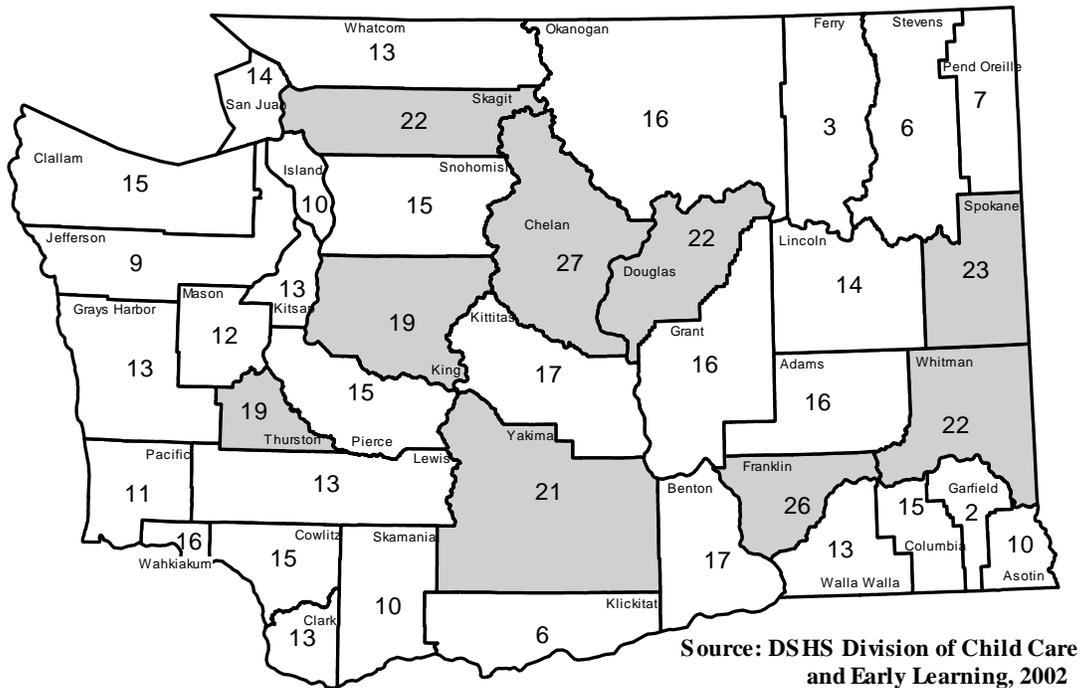
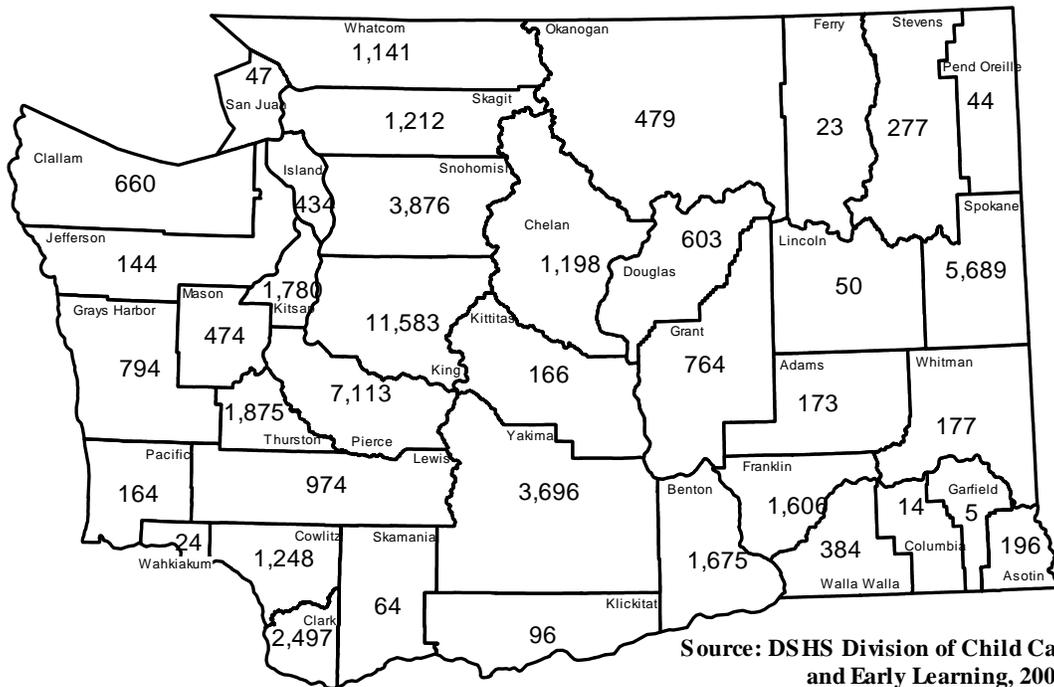


Figure B8. Licensed Slots per 100 Children, 2002



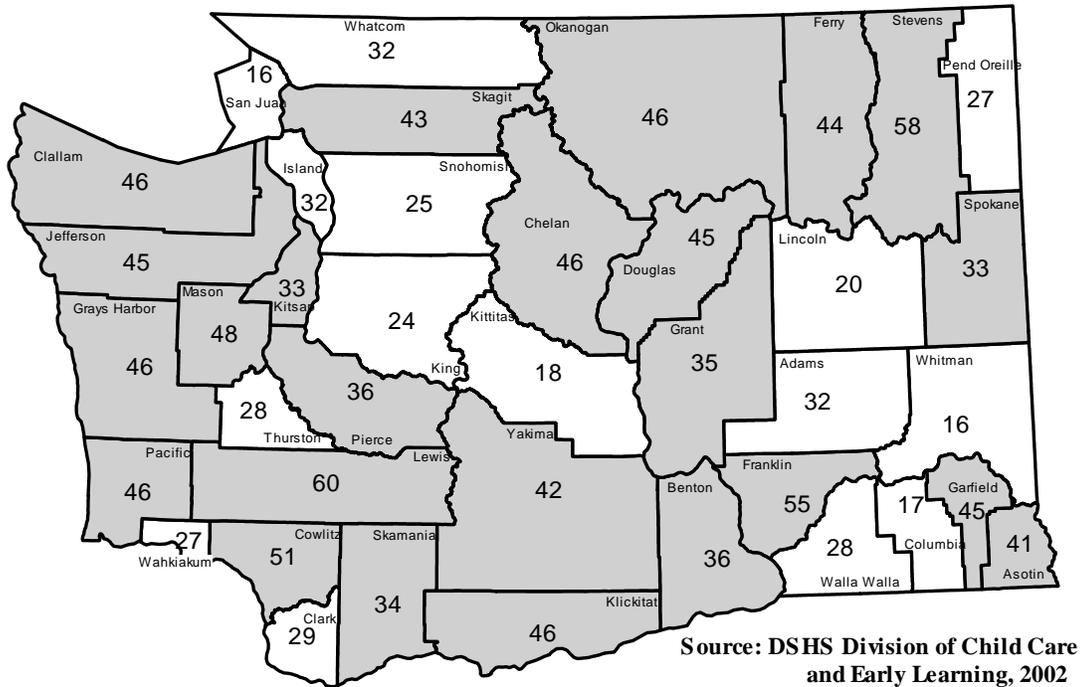
**Note: Shaded counties had more than 17 licensed care slots per 100 children 0-12 (the statewide average was 17 in 2002).**

Figure B9. Number of Children in Licensed Care Subsidized by DSHS, 2002



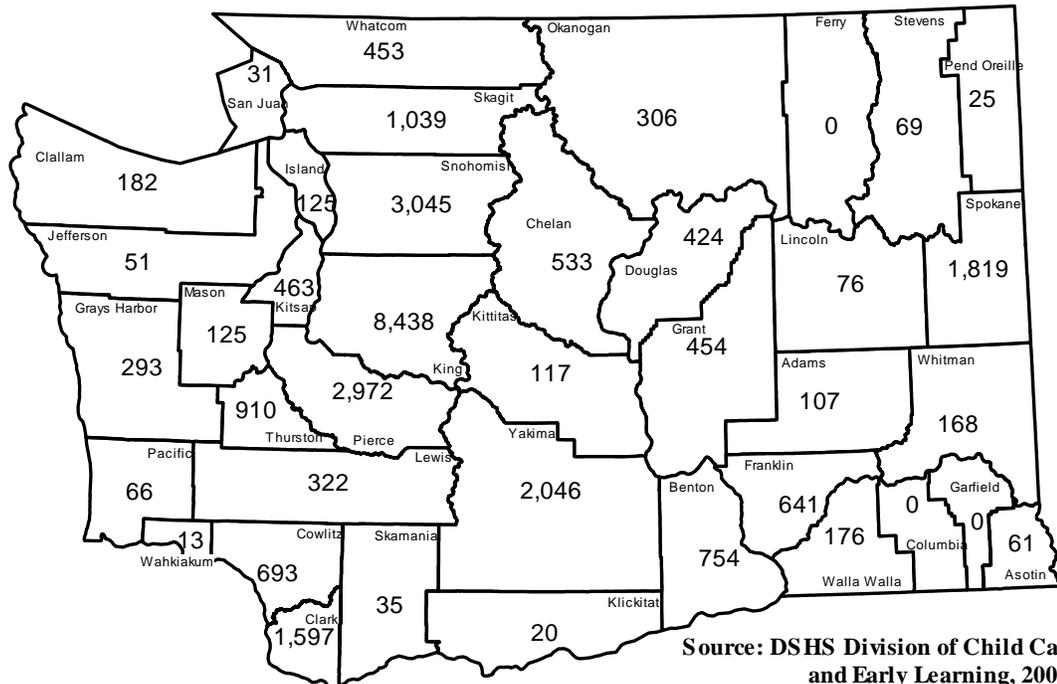
Source: DSHS Division of Child Care and Early Learning, 2002

**Figure B10. Percent of Children in Licensed Care Subsidized by DSHS, 2002**



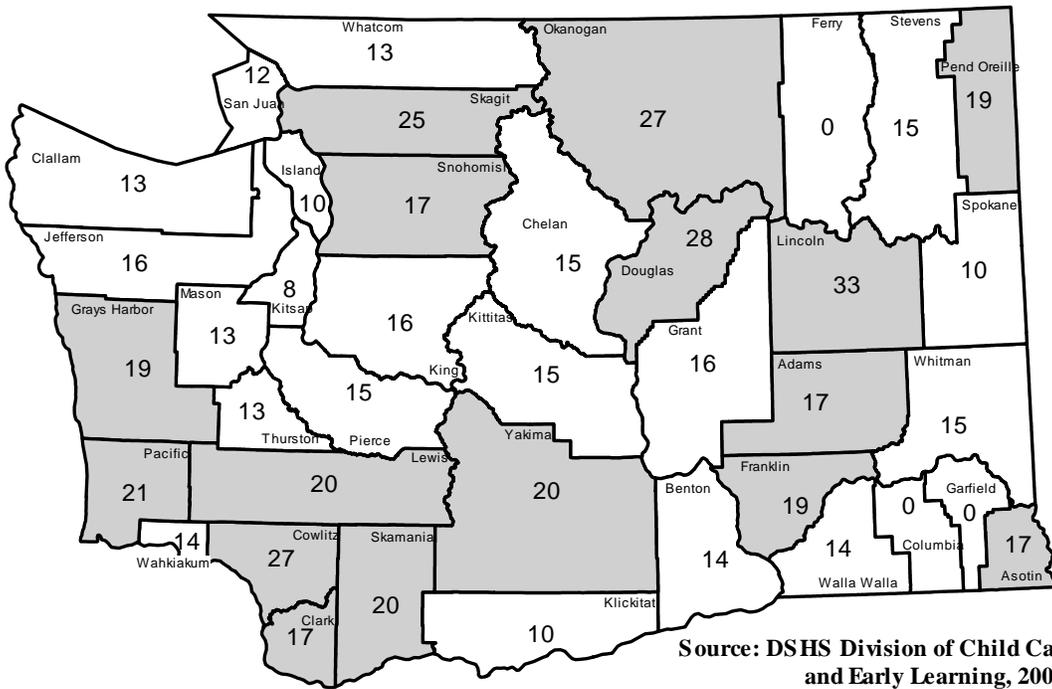
**Note: Shaded counties had more than 32 percent of their children in licensed care subsidized by DSHS.**

**Figure B11. Total Reported Vacancies in Licensed Care, 2002**



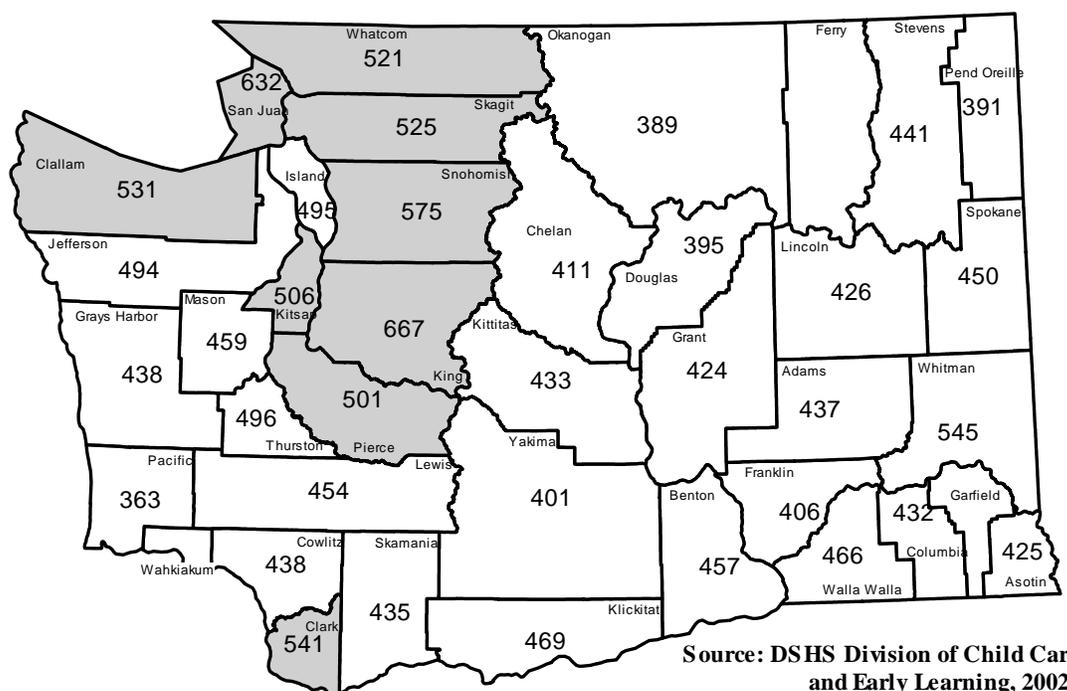
Source: DSHS Division of Child Care and Early Learning, 2002

Figure B12. Vacancy Rate in Licensed Care, 2002



Note: Shaded counties had more than 16 vacancies per 100 licensed slots (the statewide vacancy rate was 16 in 2002).

**Figure B13. Average Price of Full-Time Preschool in Licensed Care, 2002**



**Note: The average price of preschool was \$500 or more per month in the shaded counties in 2002 (the statewide average was \$545 in 2002).**